L I V I N G R O O M I I :
A C I T Y H O U S I N G P O L I C Y
R E V I E W

Prepared by:

Housing Policy Review Committee
City of Toronto
October, 1986

((livingroomII:101)

TORONTO
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October 23, 1986

Mayor Art Eggleton, Chairman
and
Members of City Council
Toronto City Council
Mayor's Office
2nd Floor, City Hall

Dear Mayor Eggleton and Members of Council:

As Chairman of the Housing Policy Review Committee, I submit a housing strategy for the City of Toronto for the next ten years. The recommendations are designed to meet the ever-changing needs within the housing environment.

On April 9, 1985 City Council requested the formation of a Committee to prepare Living Room II. The Committee did not invite public representation because it consisted of public sector representatives, both political and departmental, a tenants' advocate and one member from each of the co-op housing, private development and financial sectors.

The preparation of this report has taken longer than anticipated. The Committee's first meetings were devoted to determining the general approach it would take to the subject. The members of the Committee then formed themselves into a number of sub-committees to deal with specific issues. We also had the privilege of having Jane Jacobs attend a meeting to provide her insights and comments on matters of particular importance to her and to members of the Committee.

Throughout its deliberations the Committee operated by the consensus of those who were in attendance. The report, therefore, reflects the common views of the broad range of interests brought to the Committee by its members. It also reflects the views of all interested City departments, either through their direct participation in the Committee's work or their review of the report in one of its final drafts.

The Committee is grateful to all those who have contributed to the final report. We particularly wish to mention Keith Ward and Ivy France who drafted and shepherded almost all of the report through its various stages.

I also wish to thank my fellow Committee members for uncomplainingly sitting through many more sessions than any of us envisaged when the review began. Everyone appreciated the good humour and patience which were exhibited as we worked toward consensus on the final report.

Respectfully submitted,

Peter F. Oliphant
Chairman, on behalf of the
Housing Policy Review Committee:

Member

Joan Campbell (later E. Parker, M. Moss)	Representing Medical Officer of Health City of Toronto
George Cook	Commissioner of Housing City of Toronto
Mayor Arthur Eggleton (ex officio)	City of Toronto
Alderman Michael Gee	City of Toronto
Michel Labbe	Lantana Non-Profit Homes Corporation
Katherine Laird (later M. Blazer)	Metro Tenants Legal Services
Alderman Dale Martin	City of Toronto
Peter Oliphant	Cityhome
Stewart Pearson	Canada Life Mortgage Services Ltd.
Richard Peddie	City of Toronto Housing Department
Tom Schwartz	Quetico Developments
Vykki Silzer	Representing Commissioner of Planning and Development City of Toronto

Staff

Ivy France	City of Toronto Housing Department
Keith Ward	City of Toronto Housing Department

The problems of housing go to the heart of this community's well-being. Let it be a first among priorities of City Council...

Mayor Art Eggleton
Inaugural Meeting Address
December 6, 1985

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SUMMARY OF RECOMMENDATIONS

IMMEDIATE ACTION BY CITY

1. That City Council request the Commissioner of Housing, in consultation with the Executive Director of Management Services, to report on a reorganization, including budget implications, to give effect to the other recommendations of this report and separate more clearly the responsibilities of the Commissioner of Housing from the responsibilities of the Cityhome General Manager. (pages 44-46)

2. That City Council establish a Subcommittee consisting of representation from relevant City departments, the Urban Development Institute, the Ontario Home Builders' Association, and other interested groups, to investigate the issue of property tax rates; and that this Subcommittee make recommendations to City Council within one year, which will ensure the equitable taxation of all residential properties, either owned or rented, including specific recommendations which should be directed to the Government of Ontario. (page 46)

3. That City Council terminate the Pre-start-up and Management Grant Program, and endorse the establishment of a City of Toronto Start-up Loan Program, to provide repayable loans of up to $15,000 to co-operative and private non-profit housing companies to assist them in site acquisition and planning activities for which they are ineligible to receive start-up funding from the Canada Mortgage and Housing Corporation; and that the Commissioner of Housing be requested to report on the total budget which should be assigned to this program; and further that the Commissioner of Housing be requested to consult with affected groups and report on the administration and related criteria to be used for this program. (page 47-48)

4. That, as a first step in the promotion of effective use of publicly-owned land, the Commissioner of Planning and Development be requested to prepare an inventory of all properties in the City which are owned by governments or by government-controlled boards or corporations and which, given their existing use and densities and the relevant limits of the Official Plan, have the potential for intensification or redevelopment. (page 48-49)

5. That City Council endorse the inclusion of family housing requirements, taking into consideration community amenities for families, in Official Plan amendments governing the development of large parcels of land. (page 49)

6. That City Council request the Alternative Housing Subcommittee to report in three months on the study of private and publicly-owned

vacant dwellings and the potential for their use as short-term, transition housing, which it currently has underway. (page 49)

7. That City Council endorse the hiring of staff within the Housing Department to:

   a) provide assistance ranging from site acquisition to the completion of construction, to private non-profit groups. (page 51)

   b) provide research support to private non-profit, co-operative and selected private rental developers to assist in market research, needs and social-demographic analysis, to facilitate project approvals and the refinements of mix, design and rents; and that research projects be developed in consultation with affected groups; and (page 51)

   c) ensure that strong linkages are developed amongst all of the organizations and agencies providing housing and support services and between those agencies and the government departments providing related funding. (pages 51-52)

8. That City Council request the Commissioner of Housing, in consultation with the Medical Officer of Health, to broaden the scope of the Housing Department public relations material to include information which will aid recently arrived refugees in their search for suitable housing. (pages 52-53)

9. That City Council request the Commissioner of Housing to poll all relevant department heads, including the City Solicitor, to designate appropriate staff concerned with housing policy formulation and implementation and with the delivery of social and rental housing; said staff to meet on a frequent, regular basis as scheduled and organized by the Commissioner of Housing. (page 53)

10. That City Council request the Commissioner of Planning and Development, in consultation with the Commissioners of Buildings and Inspections and Housing, the City Solicitor, and representatives of the Toronto Home Builders' Association, to develop and propose for City Council 's adoption a "fast track" approval process for private rental and social housing projects with 50 or fewer units. (page 56)

11. That City Council delegate to the Cityhome Board of Directors the control of the transfer of Cityhome projects to tenants organized into a co-operative housing corporation; and that the Cityhome Board be requested to subject all such transfers to current rules and in addition to provide for all rent-geared-to-income tenants, except existing tenants, to be referred from the Cityhome waiting list, the ownership of the land to remain with the City, with the tenants entering a leasing arrangement with the City. (page 57)

12. That City Council create a Liaison Committee, reporting periodically to the Neighbourhoods Committee, to co-ordinate the distribution of scarce resources to the various local producers of social housing; such committee to be chaired by a member of the Neighbourhoods Committee, with an initial membership to include two representatives from the Co-operative Housing Federation, and one from each of the Housing Department, Cityhome, the Supportive Housing Coalition and the Metropolitan Toronto Housing Company Limited; and this Committee should recommend permanent membership and develop the terms of reference for this group. (page 59)

13. That City Council advise the federal and provincial governments of its housing targets and request that these targets be taken into account in subsidy allocations. (page 60)

14. That City Council and the Cityhome Board endorse targets for Cityhome and other social housing producers to the effect that 60 percent of the family households selected to receive the heaviest rent-geared-to-income subsidies should be single parent families, half of whom should be "working poor"; and that the Cityhome Board strive for this target in discussions regarding implementation of a common priority list. (page 61)

15. That City Council endorse the following net housing approval targets: (pages 64-66)

Housing for Low and Moderate Income Tenants
- Net Additional Units -

	1986-1991	Implied Annual Average
Seniors Housing	1,000	200
Non-Seniors Housing	5,000	1,000
TOTAL	6,000	1,200

16. That City Council request the Commissioners of Planning and Development and Housing to report annually on achievements and housing starts recorded against the five-year and implied net annual housing targets. (page 65)

17. That City Council request the Commissioners of Planning and Development and Housing to report in 1991 on housing targets, said report to evaluate the success in meeting housing targets in the context of market and program changes from 1986 to 1991, and to propose targets for later years as appropriate. (page 66)

18. That City Council request the Commissioner of Planning and Development, in consultation with the City Solicitor, to propose

Official Plan amendments for City Council 's adoption to give effect to the target recommendations above. (page 66)

19. That, further to Section 2A.9 of the Official Plan calling upon City Council to take direct action to ensure that its short- and long-term housing targets are met, City Council use all tools at its disposal to achieve the above targets, including the use of City financial covenants to assist non-profit groups; and that the City Solicitor, in consultation with the Commissioners of Housing, Planning and Development and Finance, be requested to report on the latter. (page 66)

20. That City Council re-affirm the Zoning By-law definition of a "family", thereby maintaining the number of unrelated individuals allowed under said definition. (page 68)

21. That City Council provide the necessary funds to the Commissioner of Housing to cover the cost of publishing Living Room II: A City Housing Policy Review, which will include the final report from City Council, a preliminary estimate of such cost being $20,000.

FURTHER STUDY BY CITY

22. That the Commissioner of Planning and Development, in consultation with the Commissioner of Housing and the City Solicitor, be required to explore the legality and possibility of securing assisted, including family, housing in all negotiations involving commercial or residential densities in excess of the Official Plan limits, or transfer of development rights; such investigation to include a review of guidelines which have been developed in other major cities in Canada and the United States for such negotiations and a proposal for the establishment of guidelines for the City; and that the Commissioner of Housing, in consultation with the Commissioner of Planning and Development, be assigned responsibility for negotiating agreements respecting the satisfaction of assisted housing requirements; and if further legislative authority is required, the City Solicitor be requested to report thereon. (pages 58-59)

23. That City Council request the Commissioner of Buildings and Inspections, in consultation with the Commissioner of Housing, to report on a strategy to develop and implement a policy of repairing both the exteriors and interiors of vacant residential properties in the City and arranging for occupancy to recover both repair and management costs, including staffing implications; and that the City Solicitor be requested to prepare the required special legislation to permit this activity. (pages 49-50)

24. That City Council encourage the creation of more housing by endorsing: -

    a) the creation of "intensification zones", wherein additional residential or mixed-use development or redevelopment will be encouraged, and accordingly request the Commissioner of Planning and Development to identify such zones within one year and permit residential demolition in identified zones, subject to acceptable alternative housing being provided to displaced tenants who require assistance, as stipulated within the Rental Housing Protection Act; and (page 50)

    b) the encouragement of more intensive use of properties with rental apartment buildings, through City staff identifying potential sites with under-utilized density, contacting owners, and providing planning advice regarding additions to interested owners; and request the Commissioners of Planning and Development and Housing to report on the staff implications. (page 52)

25. That City Council request the Commissioner of Housing, in consultation with the Commissioner of Buildings and Inspections, to investigate and report on the feasibility of expanding Housing Registry operations to include a service for small landlords and homeowners, offering detailed advice to assist in the decision to rent or not to rent space. (pages 52)

26. That City Council request the Commissioner of Housing, in consultation with the City Clerk, the Commissioner of Planning and Development, and the Executive Director of Management Services to report on an information strategy to publicize the City's housing development and research services, and related budget implications within six months of City Council 's adoption of the Housing Policy Review Committee's recommendations respecting increased housing services to the private or non-profit sectors. (pages 53)

27. That City Council request the Commissioner of Housing, in consultation with the Commissioner of Planning and Development and the Medical Officer of Health, to investigate and report on methods to build regular and ongoing liaison with external groups involved in housing policy and delivery, using the model of the Alternative Housing Sub-committee as a preferred approach. (page 53)

28. That City Council request the Commissioner of Buildings and Inspections, in consultation with the Commissioner of Housing, the Fire Chief, and a representative of the Toronto Home Builders' Association, to conduct a study of fire equipment requirements and costs to ensure that they are both realistic and cost-effective as a first step; and thereafter to conduct similar studies on other standards which may be found to be unrealistic. (page 54)

29. That City Council request Habitat Services and the Commissioner of Housing, in consultation with the Commissioners of Buildings and Inspections and Planning and Development and the Medical Officer of Health, to report on appropriate physical standards for boarding houses for the psychiatrically disabled and appropriate action to ensure compliance with recommended standards, including procedures recognizing the variation in compliance by owners. (page 54)

30. That City Council request the Commissioner of Planning and Development, in his forthcoming report on Zoning By-law references to seniors' housing, to consider exempting seniors' housing from group home legislation and that City Council further request the Commissioner of Planning and Development to bring said report forward within two months. (page 55)

31. That City Council request the Commissioner of Planning and Development, in consultation with the Commissioner of Housing and the City Solicitor, to report on the feasibility and legality of passing special legislation permitting the City to identify senior citizen housing in the zoning by-laws by tying the definition to the use of the building, so that private sector developers building housing for seniors can take advantage of special parking or other standards. (page 55)

32. That City Council request the Commissioner of Finance, in consultation with the Commissioners of Housing and Planning Development, the City Solicitor, and the co-operative housing resource groups, to report on the possibility of the City providing loans or some form of security to help tenants of private sector apartment buildings buy their buildings and convert them to non-profit projects or co-operatives. (pages 57-58)

33. That City Council request the City Solicitor, in consultation with relevant City departments, to report within six months on the feasibility of requesting the provincial government to create a Municipal Housing Court to deal exclusively with housing-related matters; such report to include a review of existing models and a proposed structure and process. (page 59-60)

34. That City Council request the Commissioners of Housing and of Planning and Development, in consultation with the City Solicitor, to review the nature and effectiveness of policies to obtain housing benefits from private developers that are in use in other jurisdictions, and to report on a suitable policy for use in the City of Toronto. (page 68)

35. That City Council request the Commissioner of Planning and Development to report on the monitoring of losses of existing rental housing so that net achievements toward the above targets can be calculated. (page 66)

36. That City Council request the Commissioner of Planning and Development to report within six months, on:

    a) the implementation of a density bonus for private rental housing in mixed commercial-residential areas, with the condition that developers using said bonus do not apply for condominium draft plans until the building is completed and occupied, in consultation with the Commissioner of Housing, the City Solicitor and the Toronto Home Builders' Association, in an effort to encourage the construction of affordable private rental housing; (page 66-67)

    b) changes required to extend the 25 percent density bonus for assisted housing in mixed commercial-residential areas to projects with density calculated according to the FSI formula, in consultation with the Commissioner of Housing and the City Solicitor; and (page 67)

    c) an extension of the density bonus for social housing to R3 and R4 zones, in consultation with the City Solicitor and the Commissioner of Housing. (page 67)

37. That City Council request the Commissioner of Planning and Development, in consultation with the Commissioners of Housing and Buildings and Inspections, to review the issue of bachelorettes, with the intent to permit such uses in new housing or in converted dwelling houses, subject to adequate controls on parking and safety. (page 67)

38. That City Council request the Commissioner of Planning and Development to ensure that forthcoming reports covering zoning issues contain recommendations to the following effect:

    - permit rooming houses in CR zones;

    - reduce parking requirements in CR zones; and

    - eliminate little used mixed-use zones such as C1S. (page 67)

39. That City Council request the Commissioner of Planning and Development to submit within two months a proposal and budget for undertaking a parking requirements study in residential and mixed-use zones outside the Central Area, with a view to commencing such a study within four months. (page 67)

40. That City Council request the Commissioners of Housing and Planning and Development and the City Clerk, in consultation with the Executive Director of Management Services and the Medical Officer of Health, to propose a public information strategy, including budget implications of same, intended to inform the public of issues concerning the development and management of

social housing, so as to alleviate concerns about new social housing construction; such activity to include solicited information from groups which have already developed public information strategies. (page 68)

41. That City Council request the Commissioner of Planning and Development to report within six months on the possibility of establishing "floating zones" to permit demonstration-type housing projects. (page 68)

POLICY ADVOCACY

42. That the Government of Ontario be requested to expand its role in providing advice and assistance to small landlords regarding the rental of their properties, in an effort to encourage them to place units on the market. (page 52)

43. That the Government of Ontario be requested to review the Nursing Home Act and the Ontario Building Code, in consultation with the Toronto Mayor's Committee on Aging, with the intent of permitting buildings providing less than one and one-half hours of nursing or personal care per day to be examined under the Ontario Building Code as residential rather than institutional. (page 55)

44. That City Council request the provincial government, in consultation with Habitat Services, to report on the development, funding and implementation of support standards for the psychiatrically disabled; and that this request be directed to the Ministries of Health, Community and Social Services and Housing. (pages 55-56)

45. That City Council request the Minister responsible for the Canada Mortgage and Housing Corporation and the Ontario Minister of Housing to provide loans or some form of security to help tenants of private sector apartment buildings buy their buildings and convert them to non-profit projects or co-operatives. (page 58)

46. That City Council request the Government of Ontario to consider the development of an insurance scheme to provide tenants' groups with rehabilitation funds in the early stages of their acquisition of private rental properties; such scheme to allow the tenants' groups sufficient time to build up a sinking or renovation fund established to finance the on-going rehabilitation of their projects. (page 58)

47. That City Council urge the federal and provincial governments to keep both the allocations and funding for experimental housing programs separate from other programs until they are proven to be effective, to ensure that they do not weaken the existing programs. (page 60)

48. That City Council request the federal and provincial governments to provide and hold municipal social housing subsidy commitments for three years, as is already the case for the provincial government, and that the commitments should be renewed annually. (page 60)

49. That City Council urge the Ontario Ministry of Housing and the Canada Mortgage and Housing Corporation to seek greater uniformity in rent-geared-to-income tenant selection priorities and eligibility criteria amongst all housing projects funded by them, including those owned by the Ontario Housing Corporation itself, to facilitate equitable access for all client groups, bearing in mind the flexible program guidelines within the co-operative sector. (page 61)

50. That City Council urge the Minister Responsible for the Canada Mortgage and Housing Corporation and the Ontario Minister of Housing to amend the Non-Profit Housing Program so that singles and special needs housing, with supports, become part of the mainstream of the program, rather than demonstration or pilot projects with an uncertain life expectancy. (page 61)

51. That City Council request the Minister of Community and Social Services to take immediate steps towards bridging the financial gap created when psychiatrically disabled individuals are in crisis and must leave rental accommodation temporarily. (pages 61)

52. That City Council urge the Ontario Minister of Housing to remove the twelve-month residency requirement from the non-profit housing program, subject to no points being awarded on waiting lists to refugees for living in emergency housing. (page 62)

53. That City Council request the Ontario Minister of Housing to consider eligible for Rent-Geared-to-Income assistance parents 16 years of age or older. (page 62)

54. That the Minister Responsible for the Canada Mortgage and Housing Corporation be requested to review CMHC loan insurance procedures related to social housing, with the intent to reduce insurance premiums and to reduce mortgage rates charged by private lenders, perhaps by CMHC negotiating loans directly on behalf of several projects at once. (page 62)

55. That City Council urge the Governments of Ontario and Canada to consider establishing reverse mortgage or similar programs to allow seniors to take advantage of the equity in their homes and to continue to reside in their homes with reduced concern for affordability problems. (pages 62-63)

56. That City Council request the Ontario Minister of Housing to vary loan and capital limits in the Convert-to-Rent Program to take account of regional differences in market conditions. (page 63)

57. That City Council request the Ontario Minister of Housing to permit Convert-to-Rent funds to be combined with federal Residential Rehabilitation Assistance Program (RRAP) funds and that City Council further request the Minister Responsible for the Canada Mortgage and Housing Corporation to provide additional RRAP funding to complement provincial conversion incentives. (page 63)

58. That City Council request the Ontario Minister of Housing to include representation from the City of Toronto, the Ontario Home Builders' Association, the Toronto Home Builders' Association, the Federation of Metro Tenants' Association and Metro Tenant Legal Services on the committee which is undertaking the study of conservation needs of Ontario's high-rise rental stock, in order to provide information and advice and request that the sample size for the City of Toronto be increased. (page 63)

59. That City Council forward this report, together with its actions related thereto, to all other municipal governments in the area, for the information of those governments; and that City Council further ask those governments (a) to support recommendations which are addressed to the federal and/or provincial governments or departments thereof and (b) to review their own housing policies to consider efforts which would complement those undertaken by the City of Toronto.

CITYHOME ACTION

60. That the Cityhome Board of Directors, in consultation with tenants, be requested to establish a rent-rebalancing policy for older (Section 15.1) Cityhome projects, subject to obtaining approval from CMHC that the rebalancing mechanism can be of Cityhome's design, and revenues so gained can be placed in a Cityhome-controlled account for non-profit rental housing development and maintenance. (page 48)

61. That the Cityhome Board of Directors, in consultation with the City Solicitor, be requested to investigate sale and leaseback arrangements for Cityhome buildings for the purpose of providing capital for a Cityhome-controlled account to facilitate non-profit housing development and maintenance. (page 48)

62. That the Cityhome Board of Directors be requested to review Cityhome projects already identified by the Commissioner of Planning and Development as having densities substantially below Official Plan limits to determine if additional development would be feasible. (page 49)

63. That the Cityhome Board of Directors be requested to evaluate the feasibility of converting commercial space included in Cityhome projects into residential units, taking into account the cost of conversion and related rental recoveries, as well as the benefits

to project and area residents of the commercial operations.(page 49)

64. That the Cityhome Board of Directors, in consultation with the City Solicitor, review its administrative procedures, and consider revisions to actions taken with regard to tenants in arrears or who are otherwise disruptive, so as to avoid undue strain on project budgets or on tenant relations. (page 56)

65. That the Cityhome Board of Directors develop policies that ensure allocation within projects of "market" and "shallow subsidy" units to households in need, in accordance with income and family size requirements, such policies to address long-term goals respecting the portfolio mix. (pages 56-57)

66. That the Cityhome Board of Directors, in consultation with the Commissioners of Housing and Finance, the City Solicitor and tenants' groups, propose to the Ontario Ministry of Housing methods of funding tenants' associations that are based upon tenants' financial contributions, such contributions to be matched by federal, provincial and/or municipal contributions and to be collected as part of the rent for individual units; the proposal should specify requirements for participation in the funding arrangement based upon expressed tenant choice and interest in such an arrangement. (page 57).

67. That the Cityhome Board of Directors be requested to discuss with the Ontario Housing Corporation the possibility of developing rent increase formulae for unsubsidized tenants in Section 56.1 projects and all geared-to-income tenants which would take account of operating cost increases in their projects. (page 62)

CHAPTER ONE

THE MOMENTUM CREATED BY LIVING ROOM

Introduction

The Housing Policy Review Committee was established to prepare Living Room II. This document presents a housing strategy for the City of Toronto for the next ten years. The Committee believes, however, that it is important not to lose sight of the basic building blocks of the City's current housing policy, as put forth in the original Living Room report. When City Council adopted Living Room in 1973, the City effectively got back into the housing business. City Council adopted that report in total, including all of the goals and the suggested implementation.

Central to that report was the enunciation of the goal of the "...provision to all residents of decent housing in a suitable living environment at a price which they can afford." This report, Living Room II, repeats and endorses that underlying principle and deals in some detail with the policies and programs required in pursuit of that objective. While it supercedes Living Room, the intent of Living Room II is not to negate the policies adopted in 1973. However, before dealing with the present and future, it is instructive to take a look at what Living Room proposed and what has been achieved in implementing its recommendations.

It would require another report of the same length as Living Room II to detail each and every objective and achievement of Living Room. Rather than take the reader through such an exercise, we will highlight the major efforts in this section. The enquiring reader may wish to review the reports listed in the bibliography in order to fill in the gaps. The list of accomplishments is impressive and is such that City Council can take justifiable pride in the commitment it has made, and continues to make, towards its goal of 'decent housing'.

Living Room recommended the establishment of the Housing Department to provide assistance to all housing producers and implement the City's housing policy. Such a department was immediately created and staffed. At the same time the City's Non-Profit Housing Corporation, Cityhome, was created to take advantage of available funding assistance from the federal and provincial governments for the construction and management of non-profit housing.

Housing Department.

Foremost among the accomplishments of the City have been the establishment of the revolving fund for landbanking and, closely related to it, the development of the St. Lawrence and Frankel-Lambert Neighbourhoods. Both have been imitated by municipalities across Canada in recent years.

The first major activity of the Housing Department was the use of both the landbanking assistance then available through the provisions of the N.H.A. and the City's own financial resources. Since 1974, the City has committed $49 million for the acquisition of sites. Approximately $32 million was borrowed from CMHC prior to 1979 and the rest from the City itself. This has resulted in the acquisition and lease or sale of some 27 sites, totalling about 100 acres and producing approximately 3,000 housing units, together with parks and streets.

The major land assembly project was the St. Lawrence Neighbourhood, covering 44 acres of land and containing 2,130 of 3,500 targetted units. It combines many of the goals and policies of Living Room. Fourteen million dollars was invested in land assembly. There are non-profits, co-ops, and privately-owned homes, with about a 60/40 split between the assisted and private housing. One-quarter of the current population of 4,500 is earning less than $12,000 per annum and the remainder represents all parts of the income spectrum. A variety of housing forms and densities mix with a potential total commercial area of 500,000 square feet. A broad range of community facilities are also available within the neighbourhood.

When completed, St. Lawrence will represent an initial investment of $50 million for acquisition, planning and site preparation. It will have generated a further $175 million in public and private investment. It should generate a surplus of $5 million which can be used for further landbanking. Another benefit is the impact that regeneration of this rundown area of the City has had upon property assessment. A five-fold increase has occurred in tax returns since redevelopment began.

The Frankel-Lambert Neighbourhood land assembly is similar. Overall front-end investment in Frankel-Lambert was about $10.5 million. This development has resulted in a surplus for the City of $500,000. Acquisition of the 23-acre site started in 1975, and by 1985 it had become home for almost 1,500 residents in 872 units. About half the units are assisted housing for families, a third for seniors in a combined private non-profit apartment building and nursing home, and the rest are privately-owned townhouses. This is generally a "young" neighbourhood with a large proportion of families, a wide range of occupations and a broad spectrum of income. Property taxes are now in excess of $1 million - five times their pre-assembly level.

A significant development in the activities of both the City Housing Department and Cityhome is the growing heterogeneity of the people served. Through the 1970's and into the 1980's it became evident that the needs of the poor were by no means homogeneous and that housing policies, programs and agencies had to adapt to deal with this phenomenon. The Housing Department has taken a leading role in providing housing for the physically and the mentally disadvantaged. It has created innovative designs and forged working relationships

with community service and support groups, as well as private boarding home owners, among others.

Assisted Housing. In this report the terms "assisted housing" or "social housing" refer to the definition within the Official Plan for the City of Toronto, as amended from time to time.

Targets were set in Living Room but, although private production targets were surpassed, assisted housing production has been disappointing. Despite this, the results are impressive and one need only peruse the following table to appreciate what has been achieved.

TABLE 1

Estimated Extent of the Assisted Housing Stock in Toronto (1986)

Producer	Estimated Units		Estimated Rent-Supplemented	
	No.	Percent	No.	Percent
Metro Toronto Housing Authority	9,890	37.2	9,890	100
OHC Rent Supplement (2)	1,200	4.5	1,200	100
Cityhome	5,246	19.7	2,098	40
Metro Toronto Housing Co. Ltd.	4,063	15.3	4,063	100
Non-Profit Co-ops	3,624	13.6	906	25
Private Non-Profit	2,589	9.7	1,295	50
Total	26,612	100.0	19,452	73.1

(1) In addition there are about 2,000 hostel beds available for emergency and short-stay in the City of Toronto. Non-profit nursing homes would add a further 2,344 subsidized beds to the total low cost stock. There are also 918 beds in private non-profit and co-op projects.

(2) Integrated in private rental accommodation.

The City has about 158,000 tenants, 23 percent of whom live in some form of assisted housing. It is impossible to judge the rate at which the shift from private to public and semi-public tenancy is occurring, but reduction in the private rental stock of some 11,000 units in the last ten years indicates a major change in rental property ownership. With the introduction of the Rental Housing Protection Act, the rate of change is likely to drop. However, unless there is major activity in the private rental construction market, the trend is likely to continue and more rental properties will be owned by the public and semi-public sectors.

Cityhome. Cityhome has become the leading producer of assisted housing in the City. Its portfolio has grown to 59 projects and 365 scattered houses serving 13,500 tenants in 5,246 units, about 1,200 of which are rehabilitated. To reach this figure, Cityhome has exploited twelve different federal and provincial programs relating to land, community services, rehabilitation, housing finance and rent supplement. Cityhome units are to be found in all parts of the City, with the highest concentrations in the Central Area, particularly in Wards 6 and 7.

The social integration policies of Living Room have been conscientiously applied by Cityhome and reinforced by the programs under which its operations are financed. Through its emergency shelters, rooming houses, scattered houses and new townhouses and apartments, Cityhome serves an income spectrum all the way from destitution to middle income. But in keeping with City policy, more than 80 percent of its tenants earn below the median income for the City. In fact, 40 percent of its tenants are in rent-supplemented units and have incomes generally below about $12,000. Because of increasing land prices, Cityhome has been forced into higher density forms of housing, whose suitability for families and some other target groups is open to question. Contrary to the expectations of Living Room, families constitute a minority of Cityhome tenants - about 40 percent. The non-family character of its tenants is more in keeping with the way in which the demographic character of the City has evolved since 1973.

Cityhome now controls a real estate portfolio worth about $300 million. Its assets and current cash flow are about $50 million annually. Outside of normal program funding, Cityhome has initiated a number of joint housing/commercial ventures with private developers. The equity generated from these ventures will allow Cityhome to make future investments in land and buildings.

Private Non-Profit/Co-operative Producers. A key tenet of the original Living Room report was municipal support for other third sector housing producers - co-ops and private non-profits. From 1974 through 1984, the City leased or sold land and buildings to co-operatives and private non-profit groups for 22 projects comprising 2,055 units and 50 nursing care beds. Most of the lands were leased, ensuring public ownership in perpetuity. This activity has ceased in the last three years, mainly because of the lack of suitable sites.

In addition to the sale and lease of land and buildings, Cityhome and the City routinely lease properties to community-based organizations. Their clients include special needs groups such as frail seniors, discharged psychiatric patients and former inmates. This further diversifies the use of publicly-owned housing stock to ensure that the wide range of needs evident in the City are being addressed.

Housing Rehabilitation. The rehabilitation of the owner-occupied stock, together with the acquisition and rehabilitation of that owned

by non-profit groups, was strongly emphasized in Living Room. A major concern was that the quality of the housing stock should not be allowed to decline. This was seen to be an important component of the more general goal of preserving existing neighbourhoods, and it was further reinforced in the City's Official Plan, some three years later.

The City, through the Buildings and Inspections Department, has rigorously enforced its maintenance and occupancy by-laws to ensure that both the ownership and rental stock are maintained. Advantage has been taken of available rehabilitation programs and of the City's own loan assistance. The following table summarizes the number of properties which have been rehabilitated through the use of these funds.

TABLE 2

Housing Rehabilitation and Improvements (1973-86)

Ontario Home Renewal Program (OHRP)	1,846 units
Residential Rehabilitation Assistance Program (RRAP)	464 units
	1.252 beds
Contract After Care Project (CAP) (1)	5 projects
City of Toronto Loan Program (2)	3 projects
City of Toronto Draught Proofing Program	903 homes

(1) Boarding homes for discharged psychiatric patients - about 50 rooms

(2) Through OHRP/RRAP between 1973-1985

The City has also taken advantage of the provincial "Add-A-Unit" (22 units) and "Convert-A-Unit" (187 units) programs. The recently announced provincial Low-Rise Rehabilitation Program will further enhance the City's rehabilitation objectives by allowing 600 private rental units to be upgraded.

Notwithstanding the achievements noted, it is important for the City to reaffirm its commitment to housing rehabilitation. The stock continues to age. More than 90 percent of the rental stock was built prior to 1976 and, as a result of being under rent control, may not be receiving an adequate level of reinvestment. The goal of conserving neighbourhoods is just as valid today as it was in 1973 and the pressures to redevelop especially in the Central Area, are probably greater now. Finally, the need to intensify the use of the existing residential stock is critical in the face of a consistently low vacancy rate and the high cost of producing units in the inner city.

Public Health. The Department of Public Health has had a long tradition of concern and interest in housing issues. From the early years of the 20th Century, public health reformers focussed on overcrowded and poor housing conditions for working class families. In 1910, Dr. John Hastings, the City of Toronto Medical Officer of Health, rejected the commonly held belief that poor housing conditions were the inevitable product of heredity for some classes and nationalities. In his view, they were as preventable and correctable as the physical disorders from which their inhabitants suffered. Throughout his 20 years as Medical Officer of Health, he strove to improve the quality of housing in the City without simultaneously rendering thousands homeless. In public health terms he established the link between poverty and poor health, thereby focussing the community's attention on the economic and social conditions of the times.

The continued interest of the Department of Public Health was also demonstrated with the publication of a recent report on Housing and Health, which is referenced in this review. Ironically, many of today's needs differ very little from those of Hastings' day, that is, housing for low income families, recent immigrants, and the unemployed.

Summary

This chapter has outlined the momentum created by the Living Room report. The Housing Department and Cityhome were immediately established. City and Housing Department activities have included the development of a landbanking program and the creation of the St. Lawrence and Frankel-Lambert Neighbourhoods. Assistance has also been provided to other producers of housing, including co-operatives and private non-profit organizations. Housing achievements fall short of targets but are, nonetheless, impressive. In addition, there have been achievements in the area of housing rehabilitation. The City has also become involved with rooming houses and short-term emergency housing for homeless people. Cityhome, for its part, has provided a substantial number of assisted housing units for the City. Finally, the link between housing and health has also been acknowledged within the City.

In essence, it is the Committee's opinion that the ability of the City to make creative use of a broad range of programs funded by other levels of government has proven to be a cornerstone for the accomplishments of the past thirteen years. The remainder of this report outlines how the City of Toronto should continue to meet the dynamic housing needs of its residents.

CHAPTER TWO

CITIZENS IN JEOPARDY

Introduction

City Council 's interest in housing is directly related to its responsibility to citizens. This chapter discusses how the Housing Policy Review Committee views housing conditions as having placed certain groups of citizens in jeopardy. The extended treatment of the subject in this chapter reflects the weight of our concerns.

The following two chapters provide background information on factors which have aroused these concerns - a description of recent housing trends and of recent government intervention in the market. The report ends with the Committee's recommendations on how the City might attempt to influence these trends to meet the challenge of reducing its citizens' housing-related anxieties.

The Committee viewed most jeopardized groups as falling into two categories: citizens whose continued well-being or normal expectations are threatened, and citizens forgotten or ignored when our society was putting together safety nets. In the first of these two categories are the hard-pressed middle class, frustrated families, anxious seniors, and hesitant small landlords. Groups in the second category which merit priority are the stressed disabled, bewildered refugees, forgotten roomers, and trapped homeless people. Finally, problems involving existing social housing tenants demand attention.

Hard-Pressed Middle Class

The security and well-being of an increasingly broad segment of the City's population is threatened by housing market pressures. Certain middle class groups are particularly vulnerable because of personal characteristics described in the next few sections of this report. But many people, ranging from those barely able to hold on financially to some who are quite comfortable, are also finding themselves in a precarious position because of where and how they are housed, rather than because of personal characteristics.

Tightening Market Squeeze. Hand in hand with the extremely tight rental housing supply described in the next chapter of this report go high prices. The gaps between rents in older buildings which have been subject to rent review legislation since 1975, and rents of newer buildings are substantial (Table 3). Rent increases have also been high.

With high rents in newer buildings, high rent increases in most buildings, and few vacant rental units, more and more people with low and moderate incomes are being squeezed out of the City's rental market. Almost the only new households able to gain access to City

housing are those better off financially or lucky enough to obtain social or rent-controlled housing.

TABLE 3

Average Rents and Rent Increases
City of Toronto, October, 1985

Unit Type	Not Subject to Rent Review		Subject to Rent Review	
	Avg Rent ($)	Percent Increase Over Oct. 1984	Avg Rent ($)	Percent Increase Over Oct. 1984
Bachelor	450	15.3	351	7.4
1 Bedroom	655	13.6	436	6.4
2 Bedroom	877	18.5	526	7.6
3 Bedroom	918	16.8	592	6.3

Source: CMHC, Rental Apartment Vacancy Survey, Oct. 1985

The majority of the City's tenants are not experiencing affordability problems, but a sizable minority are. An estimated 40 percent of Toronto tenants are now paying more than a quarter of their before-tax income on rent, compared with just 25 percent of owners paying more than a quarter of their income on major home payments. The incomes of renter households have declined significantly in real (inflation adjusted) terms in recent years. Tenant incomes have also dropped relative to owner household incomes. In 1971, for instance, the median Canadian family renter income was 85 percent of the corresponding figure for owners. By 1983, the median renter family income had fallen 10 percent in real terms, so that it was only 65 percent of the corresponding median for owners, which had risen 19 percent over the same period. Finally, within the City of Toronto tenants' median incomes only increased 109 percent between the census years 1971 and 1981. On the other hand, owners experienced a 157 percent increase in their median incomes.

The growing disparity between the income of owners' and tenants' incomes has itself contributed to the supply squeeze. Quite simply, developers confronting a demand for rental housing increasingly dominated by people with restricted ability to pay, will themselves be more and more unable to satisfy that demand. At the same time, the demographic forces responsible for much of the income disparity - the formation of smaller households headed by young people or the elderly - also require more housing to be built.

The squeeze in the existing rental market undoubtedly has contributed to the scope of affordability problems. For many tenants, however, the

prospect of losing their home is more disturbing than rent increases. The erosion of the existing rental stock through demolition, conversion to condominiums, equity co-operatives and apartment hotels, and luxury renovations is described in the following sections of this report. This activity has undermined the accessibility of rental housing to low and moderate income households. The political pressure to protect people from such changes can and should be strong. The cost, for tenants displaced and for governments which can expect strong pressures to provide suitable alternatives, will be high.

Restricted Tenure Options. Market forces and property taxes are biasing investment decisions so as to favour some forms of tenure over others. The opportunity to take out quick profits from condominium sales is inviting because it avoids on-going financing costs and the uncertainty of future rental revenues and related legislation. Condominium developers are thus able to out-bid rental apartment builders for land. The recent success of small condominium apartments has put these types of projects in more direct competition with social housing for land. Co-operative and non-profit options are consequently being closed off in some areas. This situation has a detrimental impact on low and moderate income households looking for decent housing they can afford.

The Committee was also concerned about the apparent inequity within the property tax system whereby high-rise rental apartments are assessed at a higher rate than condominiums. While recognizing that this topic is extremely complex and deserving of a thorough examination, the Committee felt it was important to highlight this problem.

When condominiums first appeared in Ontario in the late 1960's, they were assessed on the same basis as high-rise rental apartments, that is, on the basis of similarity of building form. Following a province-wide campaign by representatives of condominium corporations, the Government of Ontario was persuaded that assessment should be based upon tenure. Condominiums are therefore taxed in the same way as single family residences.

The property tax inequity contributes directly to rental affordability problems and, by making rents in newer buildings less competitive than older buildings, may tip the scales in favour of condominium development. The inequity is especially bizarre when one recognizes that many condominium units are in fact rented out. According to the City of Toronto Planning and Development Department report entitled Condominium Monitor '85, as many as 32 percent of the City's condominium units enumerated in 1984 were tenant-occupied. This represented almost 2,800 units. Again, the low and moderate income groups most in need of assistance are badly served by existing policies.

Forced Tenant Relocation. Much of the most affordable rental housing which has been lost in the City has also forced the relocation of

tenants. Deconversions of flats and rooms to restore single family occupancy often take place after existing tenants are evicted, prior to the purchase of properties by people intending to occupy them.

Almost 400 units have been demolished since January, 1981. Demolition permits have been issued for an additional 285 units and applications involving over 900 units are pending. Many tenants had to leave their homes for these demolitions to proceed. Condominium and co-ownership conversions, totalling more than 2,600 units, may or may not involve outright evictions. Evictions are permitted in smaller buildings converted to co-ownership. Although tenants may stay in place in converted condominiums, the profitability of such conversions depends upon eventual owner-occupancy. And there have been instances of considerable pressure being brought to bear upon tenants to buy their apartments. Luxury renovations, involving almost 3,000 units since January, 1978, have been used to circumvent rent review restrictions. These simply attract a higher rental market. Such renovations have usually been undertaken after clearing buildings of existing tenants.

Where have these thousands of displaced tenants gone? Considering the vacancy rate in Toronto, it is likely that some people have doubled up, have resorted to hostels, or have had to move out of the City's rental market altogether. The Committee believes the pressures responsible for tenant displacement will continue. Although proposed temporary provincial legislation could offer some relief, its practical impact cannot be assessed at this time. Experience suggests that loopholes will be found and exploited and that not everyone will scrupulously abide by legislation. There will be a continued need, therefore, to help tenants forced from their homes to find satisfactory alternatives.

Uncertain Re-assessment Impact. The Committee was disturbed by the uncertainty surrounding property tax changes, and the impact this uncertainty is having. The Committee did not, however, spend a lot of time looking at specific property tax re-assessment proposals. Members of City Council are presumably well aware of the pros and cons of various proposals.

From a developer's perspective, uncertainty regarding the future taxation of rental properties is yet another factor encouraging construction of condominiums rather than rental units. The homeowner is also concerned about the possibility of large, sudden increases in taxes which, at a minimum, will force some lifestyle sacrifices and which could impose severe affordability problems. Homeowners will also be more reluctant to undertake repairs, even those which are necessary or which would extend the life of their houses. They will be less inclined to rent out space within their homes.

Landlords, too, may be discouraged from undertaking repairs and renovations. Rent review procedures will allow expenses to be recovered on an amortized basis, albeit only after formal application. But, changes to rent review legislation being recommended by the Rent

Review Advisory Committee will deny rent increases and impose other penalties upon landlords who do not keep their properties repaired. The uncertain prospect of property tax increases may also be a deciding factor for landlords unable to make up their mind about spending money on repairs.

Quite aside from the desirability of a phased transition to any new property tax regime, it is imperative that the clouds be cleared. A very large segment of the population could be affected and these people are worried now. Most fears may be unfounded, but they cannot be lightly dismissed.

Threatened Neighbourhood Stability. Change, or the prospect of change, can alarm neighbourhood residents and arouse their opposition. Delivery programs introduce new housing into neighbourhoods. Changes in regulations may facilitate new construction or permit different uses within existing properties. The impact of housing initiatives on neighbourhoods must be carefully assessed and potentially adverse reactions taken into account.

The experience with the recommendations of the Interdepartmental Task Force On Affordable Housing is instructive. These recommendations involved reasonable and modest improvements in the Zoning By-law to permit more intensive use of existing housing. The expected effect in established neighbourhoods was minimal. City Council approved the recommendations in principle. Public opposition began to mount and four years later the draft by-laws are undergoing revisions as consultations with resident groups are completed. In retrospect, the recommendations were too complex and comprehensive to be readily understood. The key word here, as in so many areas this Committee examined, is uncertainty. Recommendations should have been explained in clear, simple language and the consequences of those recommendations should have been similarly described.

Neighbourhood opposition to socially oriented projects has given rise to the Not In My Back Yard (NIMBY) syndrome. General acceptance of social policy measures takes second place to anxieties about potential changes next door. Most builders of social housing cite local opposition as the main impediment to their construction activities. It is quite clear that social concerns are the impetus for this opposition. The Committee believes it is time for City Council to adopt a pro-active role in educating and informing the public, rather than reacting in defense of specific projects. The Supportive Housing Coalition of Metropolitan Toronto, whose board and membership consist of representatives from consumer groups, psychiatric service agencies and several levels of government, has recently developed a strategy for carrying out this kind of activity. There may be others who have also done this. The City could benefit from the knowledge these groups have acquired in this area. In the opinion of the Committee, the time and effort required to allay anxieties before they reach critical proportions would be well invested.

Frustrated Families

The Committee heard much evidence indicating that the City of Toronto is becoming a city of non-family households. This trend conflicts with City Council 's stated desire to strive for a diversity of household types living in Toronto, including families with children. Many families face serious frustrations in their search for suitable housing in Toronto. The demographic forces underlying the trend are irreversible, at least by City Council . But City Council does have the ability to deal with some of the frustrations.

Ineffective Official Targets. The current Official Plan includes targets for housing suitable for families with children - one of the few specific groups targetted for - which cannot be readily monitored. The Plan defines such housing as units containing two or more bedrooms, located within three floors of grade, and having direct, non-mechanical access to grade. In turn, "grade" is defined to include landscaped podiums or other artificial arrangements which may be several floors above ground level.

A major problem in assessing progress against Official Plan targets is the difficulty of monitoring approvals using this complex definition. The distinction between what constitutes grade and what constitutes non-mechanical access to grade is often not clear-cut. Although precision is impossible, data on achievements indicate that family housing targets have not been achieved (Table 4) and most of the new family-type housing which has been built by the private sector is not being occupied by families with children.

In setting its 1976-86 housing goals, City Council wanted one-quarter of approvals in the City to be for units suitable for children. But only 18 percent of eventual approvals fit that category. The performance of both the private and assisted sectors was much stronger on the non-family housing side. Overall, there were 22 percent fewer family housing approvals than targetted. The difficulty of building large, grade-related units on expensive downtown land is particularly reflected in a 42 percent shortfall in relation to targets for the Central Area.

One reason for the shortfall is that while the Official Plan's assisted housing targets have proved useful in negotiations with private developers to obtain assisted housing in exchange for planning concessions, the family housing goals have not been used to the same extent. Accommodation suitable for families does not seem to be part of these negotiations. While most noticeable in larger developments, there is also a lack of negotiation in smaller ones. There are no guidelines to govern any of these negotiations. Similarly, although the City's own land assemblies, St. Lawrence and Frankel-Lambert, have provided for a high proportion of family units, Official Plan amendments written for large private assemblies are not obliged to make corresponding provisions. Nor does it always take account of

appropriate amenities, such as daycare or accessibility to schools, which are important components of family housing.

TABLE 4

Official Plan Targets and Achievements - 1976 to 1985

Family Housing

	City of Toronto			Central Area
	Private Units	Assisted Units	Total	All Units (Private/Assisted)
Target	5,000	5,000	10,000	5,000
Achievement	5,707	2,134	7,841	2,831
Balance	-	2,866	2,866	2,169

Source: Planning and Development Department, Policy and Research

Why did the Official Plan set family housing targets? Living Room pointed to pressures arising from "Baby Boom" family formation. The Official Plan reflected these findings, claiming that "new family units might well take some of the pressure off the areas where whitepainting is now occurring..."

There was a concern, then, with the loss of housing which was suitable in form and price for families with children. But the demand foreseen has not really materialized. As is now generally recognized, the big surge in birth rates and family formation expected from the "baby boomers" has not occurred. In Toronto, the number of non-family households has grown while the population has fallen.

The Committee is convinced that the family housing targets were ineffective and have been hard to monitor. More importantly, the targets have not dealt constructively with the problems faced by many families in Toronto. The implicit assumption of the Official Plan was that the housing produced in conformity with the definition of "family housing" would, in fact, be occupied mainly by families with children. Targets have not and cannot create more housing that is actually occupied by families with children. Implicit in targets was the assumption that the mere provision of large grade-related units would ensure housing accessibility to lower income families with children, balancing the loss of housing for such families due to the

deconversion and renovation of houses in formerly working class areas. This assumption was unrealistic because such families lacked the income needed to gain access to most new housing.

Only one-half of new units structurally suitable for families, as defined by the Official Plan, have children in them. The difference between private housing and assisted housing is striking. While just 43 percent of suitable new private rental units contain children, 56 percent of suitable new Cityhome market rent units and 83 percent of new Cityhome rent-geared-to-income units contain children.

Moreover, many families choose to live in housing which does not meet the City's standards of suitability, mostly in larger apartments well above ground. The differences between private and assisted housing are even more pronounced in these units: just 30 percent of new private rental units contain children, while there is little variation between Cityhome grade-related and apartment occupancy patterns.

There is also a mismatch between family composition and availability in the existing housing stock. Using the stringent Official Plan definition of structural suitability, there are two suitable units for every family now living in Toronto. At the same time, there are families now living in accommodation which is not physically appropriate. One message from both new and older housing is consistent: access to <u>affordable</u> housing is the key issue for low and moderate income families.

<u>Condoned Discriminatory Practices</u>. Even though the stock of existing housing is physically adequate to accommodate Toronto's families, discrimination against children is widespread. The City acknowledged this in 1976, establishing anti-discrimination by-laws. But these are virtually unenforceable.

In October, 1984, City Council requested the Province to amend the Human Rights Code to "ensure that no person shall be discriminated against because of family status with respect to the occupancy of housing accommodation". The provincial response indicated that this matter "should be left to the local municipalities to develop their own solutions in the context of their particular social environments."

A registry of larger buildings which, under terms of the City's current by-law are classified as "family" buildings, has been compiled and made available to the public. In spite of some publicity, few people have taken advantage of the registry. Of course, this list does not ensure that units in these buildings are actually available for family occupancy. Surveys indicate extremely low vacancy rates in projects covered under the by-law. Furthermore, it can be difficult to detect discrimination and, as noted, even more difficult to do anything about it, as things stand.

The Provincial Government is proposing legislation amending the Human Rights Code to prohibit landlords from discriminating against families

except in senior citizen housing and housing with shared kitchen or bathroom facilities. If enacted as it stands, which strong landlord opposition may not allow to happen, it will still not address the problem. The lengthy enforcement process of the Human Right's Commission eliminates tenants' chances of obtaining the apartments sought in the first place. The City is presently examining the possibility of amending its by-law so that it would complement provincial efforts to prohibit discrimination.

Inadequate Occupancy Criteria. Non-family households can now occupy larger Cityhome units suited to families. Of course, Cityhome faces the same obstacles in rental of its non-geared-to-income units as do private landlords. The demand exercised by families with the money to afford newer rental housing is limited. An option was recently announced for newer projects to provide "shallow" subsidies, targetted to people who have incomes higher than those of the traditional waiting list clientele but who cannot afford full market rents. This assistance could be of great advantage to families. This also implies a shift to a more family-oriented unit mix and design.

Cityhome offers City Council a unique opportunity to exercise direct controls in support of its housing policies. There may be similar opportunities in the future when the City provides direct assistance to a non-profit or co-operative project. Few controls govern the occupancy of Cityhome's "market" units - those not reserved for low income tenants.

Long Wait for Help. Low income families needing direct help in obtaining housing which they can afford face an inordinately long wait. Growing waiting lists mirror the growing number of lone-parent families, who tend to have lower incomes than two-parent families. They also have more severe affordability problems than any other group.

The 1983 Metropolitan Toronto Assisted Housing Study estimated that about twice as many two-parent families as single parents need housing assistance in Metro (23,700 versus 11,850). The subsidy required for single parent families, however, was 46 percent higher than the subsidy needed for two-parent families ($540 per month, median, versus $370 per month). Single parents are thus more likely to be driven to apply for social housing.

The Metro Toronto Housing Authority waiting list is dominated by single-parent households. This list weighs applicants according to various measures of need, with emphasis upon income. Single parents, who tend to be poorer than most other types of households, take top priority.

The Cityhome waiting list gives a better sense of the needs that different household types perceive they have, since it is open to all who are eligible. The Cityhome list operates mostly on a first-come, first-served basis, so that applicants are not effectively excluded

from assistance because of a lower measured need. As of mid-year 1985, 32 percent of households on the Cityhome list were female-led, single parent families - the largest household type represented. Amongst all households with children under 18 years of age, single parents represent a 60 percent share - almost double that of conventional two-parent families.

Waiting lists for both MTHA and Cityhome are the longest for two bedroom units - the size needed most often by single parent families. In the case of Cityhome, applicants for two bedroom, rent-geared-to-income apartments must wait a minimum of three years. Larger and smaller units have waits of as "short" as one to two years. Top priority applicants for MTHA (mostly social assistance recipients, with preference given to people in hostels) can get help in less time than this; lower priority applicants could wait forever. In addition, parents under 18 years old are ineligible for subsidized housing and are obliged to wait until they are 18 to apply.

Anxious Seniors

Senior citizens cannot be described in terms that will neatly apply to all of them. Incomes vary widely, perhaps more than for any other group. Physical health may reflect total independence or complete dependence upon equipment and people to support bodily functions most of us take for granted. Mental alertness ranges from undiminished capacity to virtual unawareness of surroundings or even of self.

But there are some common threads. Financial resources at best are static and are more likely declining, so that the ability to absorb increased living costs is limited. Some physical deterioration is common and often expected. The elderly are concerned about the adequacy and safety of their housing. Unfortunately, seniors too often have been treated as if they fall into neat categories or as if their needs are no different from everyone else's. Consequently, there are important gaps in the delivery of housing and related supports, as well as in the overall recognition of the unique characteristics of seniors in public planning.

While, admittedly, senior citizens have been the targets of many recent initiatives, the Committee believes there are five housing policy issues that merit special attention: threatening tax re-assessments, limited housing choices, restrictive development requirements, missing support services, and weak support coordination.

Threatening Tax Re-assessment. While most middle class homeowners are worried about the potential impact of property tax re-assessments, seniors feel especially vulnerable. In the City, they are more likely to be in the older homes that will see the biggest increases from any shift to market value. Their own incomes are least likely to permit them to handle higher taxes. With years of residence in one location and with concern about their own physical condition, seniors are especially anxious about the prospect of moving.

Any substantial property tax changes will require some phase-in period, to give people time to adjust. Any adjustment period, however, would be irrelevant to many seniors. Physical and financial limitations and strong emotional attachment to their homes and neighbourhoods suggest they simply cannot deal with a large new housing expenditure. The need is, therefore, to establish some long term protective measures, in anticipation of a potential re-assessment.

Limited Housing Choices. Many seniors become increasingly dependent upon personal supports to respond to their own changing circumstances. Physical deterioration is only one of these changes. More often, seniors experience psycho-social problems: emotional difficulties, inadequate life skills, loneliness and alienation associated with isolation and loss of partners. There is evidence that institutionalization can be postponed, and in some cases eliminated, by enhancing self-respect and emotional independence. Seniors who so desire should be helped to cope with living in their own homes as long as possible, avoiding traumatizing and expensive relocation. This is often a matter of appropriate and well coordinated service delivery.

As things stand, there are few options between living in one's own home, with the possibility of some services delivered via outside agencies, and living in an institutional setting - a nursing home, hospital, or Home for the Aged. Arranging modest support in conjunction with the management of rental apartments, as being explored by the Metropolitan Toronto Housing Company Limited, will represent an improvement in housing flexibility. But some needs demand non-conventional designs and more extensive personal intervention.

The provision of facilities which can tailor care to individuals and which encourage seniors to be independent, self-reliant and supportive to each other, is long overdue. It should not be a struggle to bring these types of projects to fruition. Seniors themselves should not have to face the crises which the absence of such facilities forces upon them. The economic and social benefits of a continuous range of housing and related care options should be recognized in properly defined and funded programs.

Restrictive Development Requirements. There are a myriad of provincial and municipal regulations which restrict development. Some of these prohibit through omission; that is, they fail to define a use or type of facility and thus do not allow it to occur except through special exemptions. Other rules force facilities to look or to perform like something they are not, to the detriment of cost efficiency and client satisfaction. Some examples were drawn to the attention of the Committee which merit further examination.

The Province's Nursing Home Act controls the provision of care and the inclusion of building features and amenities related to care and safety. There is a perception that this Act also stifles the creative

design of space to some degree. It defines a relatively high maximum proportion of private rooms. This definition implies the encouragement of the provision of these private rooms. Recent designs, however, are able to achieve privacy with some sharing of space, improving both efficiency and the potential for seniors to support each other.

Some producers of housing for seniors have concerns regarding the application of the Ontario Building Code. It is perceived that it does not take into account the various levels of care which can be delivered to seniors and the design of accommodation best suited to these levels. In particular, it does not always examine a project which is essentially residential as such. Consequently, projects which should reflect a residential character in keeping with a relatively small amount of medical intervention, instead take on a monotonous and sterile, institutional appearance.

There are significant planning concessions that can legitimately be made for seniors' housing, notably reduced parking standards and increased densities. At present, the only seniors' housing that can take advantage of these concessions are social housing projects, where the zoning is tied to government financing arrangements. This means that those who wish to build non-social housing projects for senior citizens do not receive the concessions. The main reason for this is that they cannot guarantee that the building will always be occupied by seniors. Even in social housing projects there is no assurance that all apartments will, in fact, be occupied by seniors. Although enforcement problems are inevitably associated with by-laws, it would be preferable to have clear controls in the case of programs or activities specifically aimed at seniors.

The Zoning By-law itself defines several forms of seniors' housing, but its definitions have become outmoded, in view of the growing tendency to broaden the types of care being provided within individual projects. Nursing Homes and Convalescent Homes are defined in the same way but do not offer the same care. Homes for the Aged and Nursing Homes do offer similar care, but are treated differently.

Some forms of development for seniors are not acknowledged at all in the Zoning By-law or are covered in broad categories which fail to account for the unique attributes of seniors. This is particularly troublesome for the congregate living arrangements which service agencies increasingly favour to promote mutual support. There is no reason, for instance, why a house with five to ten senior citizens sharing some common areas should be subject to rigid group home restrictions. Larger houses, with more than ten people in a congregate arrangement, may well be practical and beneficial for seniors. These types of situations fall through the legislative cracks altogether.

Missing Support Services. While recognizing the activities of Toronto's Committee on Aging, the Committee also heard that there are

gaps in the services being provided to the elderly - especially to those "at-risk". These people have acute medical, social and/or financial management problems. While not clearly documented to date, the gaps include daycare for those suffering from Alzheimer's disease, 24-hour availability of services and culturally-appropriate assistance, including outreach to isolated immigrants.

So long as such gaps exist, seniors will have difficulty living independently in their own homes, which would reduce the pressure to provide expensive new housing or institutions. There are some existing groups which are acquiring sound knowledge and expertise in this area. Senior Link is one example. All of the groups should be considered important resources when dealing with the needs of senior citizens in the City as a whole.

Weak Support Coordination. A major area in which seniors are being inadequately served is the manner in which supports for them are coordinated. The 1983 Annual Report of the Task Force on Public Health Services to Elderly People identified this problem, both in terms of what services are provided and where. A 1984 report by the Public Health Department, entitled Housing and Health: Public Health Implications of the Affordable Housing Crisis, resulted in extensive community consultation which reaffirmed the weak coordination. The consultations suggest that few existing service groups have developed the ability to provide housing and supports on a community-wide basis.

Part of the problem is the competitive approach which agencies must take to acquire limited funds; this encourages a sense of territoriality. The coordination is so poor that in some cases it is the significant reason why some supports are missing altogether: seniors in one location, served by one agency, may have access to support denied to seniors elsewhere. This is an unacceptable situation.

Activities of support agencies and housing delivery agents are also not coordinated very well. These responsibilities, while they overlap considerably, do require very different skills. They also involve funding and approvals from different departments or even levels of government. Weak linkages between the groups mean that fortuitous timing, in conjunction with excessive effort, are needed to bring everything together. Seniors needing support consequently have difficulty gaining access to well-located projects. They also are not involved early in the design process, which means that their specific requirements may not be met.

Hesitant Small Landlords

Small landlords - the owners of small buildings and homeowners renting out space within their homes - are the source of much of our rental stock. Losses of rental rooms and apartments from owner-occupied properties are one of the main reasons for set-backs in Toronto's overall supply of affordable housing. Encouraging small landlords to

continue to offer space for rent must be, in the opinion of the Committee, a major objective if the stock of low priced rental units is to be protected and increased. In this regard, the Committee was drawn to four key problems: inappropriate legislation and processes, complicated rental decisions, inadequate information access, and limited financial aid.

Inappropriate Legislation and Processes. Small landlords, even with the experience and formal training that many have, do not possess the resources to deal with very complex legislation and cumbersome procedures controlling landlord and tenant obligations, disputes and rent increases. Perhaps more important, small landlords do not have the same capacity as their large-scale colleagues to absorb the costs associated with some tenancies.

These kinds of problems are exaggerated for the homeowner renting out or contemplating renting out space in his or her own home. These people usually lack any formal management training, have no experience with legal routines, and have no alternative rental income to sustain them while dealing with a troublesome tenant. A frequent complaint raised with staff of the City's own Housing Registry is the perceived bias towards tenants in landlord/tenant legislation and its enforcement. Some owners have definitely decided to stop renting a flat or room on this account.

Complicated Rental Decisions. For the homeowner or the small investor considering getting into the rental housing business, a large number of complicated factors must be taken into account before a decision can be made. Among the financial implications to be considered are property taxes and income taxes. Property taxes could be affected if renovations are undertaken. Income must be counted as taxable but numerous deductions are allowed, some of which (like the capital cost allowance) are optional. Income itself can be difficult to project unless the owner is very familiar with the market.

If work on the property is necessary, then the whole gamut of planning approvals must be hurdled. This ranges from zoning (with the prospect of variances and rezoning) to building permit processing. Work will also entail design, estimates, and contracting, not to mention the upheaval during construction.

The prospective landlord must also consider his or her counterpart in the business: the tenant. Decisions regarding tenant selection, lease arrangements, reference checks, and on-going landlord-tenant relations are complex and onerous.

Inadequate Information Access. There is no clear, concise advice provided to guide an inexperienced investor. The many factors to be considered in the decision to rent or not to rent are complex enough in their own right, even to the informed investor. But for many, even the questions are something of a mystery.

Information is available on different aspects of renting properties. These have to be collected from various agencies, which assumes one can figure out whom to approach in the first place. The information provided is not consistent in its presentation. Some, for instance, may be too technical. Other material may be too general, failing to answer the most basic questions but just referring the reader to other sources. In Toronto, linguistic difficulties compound the problem of inaccessibility to a consolidated body of relevant information.

Given the above, the Committee believes that the small landlord feels victimized by the system. It is convinced that the only homeowners or small investors who will enter the rental market will be those who have already made up their minds that they can benefit, or who have a tenant, such as a relative, in mind. Additional encouragement will be necessary to ensure that others invest.

Limited Financial Aid. The intensification of existing property use can require substantial expenditures, the funding for which is not always readily available. The Province tried two pilots or demonstration projects, both of which failed to perform to expectations for Toronto. The Add-a-Unit Program provided interest-free loans to homeowners who created a rental unit within or adjacent to their own houses. The Convert-to-Rent Program provided interest-free loans for the conversion of non-residential space to rental apartments. It seems that Add-a-Unit could not overcome the complicated considerations which landlords have to face. This was especially so since most rental space created would run afoul of local by-laws. For its part, Convert-to-Rent had capital cost limits ($50,000) and loan limits ($7,000 per unit) which were not on a par with the cost of acquiring and converting property in Toronto.

Convert-to-Rent has recently been expanded to run as a formal provincial program. It is the first senior government program to subsidize single family homeowners wishing to create extra apartments in their homes. Convert-to-Rent now encompasses the activities covered under the Add-a-Unit project and it also provides funding for rooming house accommodation and units for handicapped people. While the Committee is strongly in favour of the program, it is too soon to say whether or not it will be successful in Toronto. But if lower income households are to take advantage of it, complementary, and more, RRAP funding will also have to be available. Many homeowners will require this to arrange for necessary repairs before they are able to create additional rental units.

Stressed Disabled

We now turn to the second category mentioned earlier, i.e., those who have been forgotten or ignored. The disabled are one of those groups. The Committee spent some time attempting to understand the issues which are stressful to both the psychiatrically and the physically disabled. It became clear that the plight of the former group is both severe and complex and must be sensitively addressed. The dilemma is

clearly described in the Final Report of the Mayor's Action Task Force on Discharged Psychiatric Patients, also known as the Gerstein Report, upon which the Committee relied heavily for information. It is difficult to establish how many of these individuals need assistance. One estimate is that of the 10,000 - 25,000 homeless in Metropolitan Toronto, one-half have psychiatric problems. The Gerstein Report gave a conservative estimate of 1,800 discharged patients needing assistance in the City of Toronto.

One result of the Gerstein report is the recent creation of a non-profit organization known as Habitat Services. Negotiations are under way to secure funding through the federal, provincial and Metropolitan Toronto levels of government. Membership includes representation from all government levels, including the City of Toronto, the professions, i.e., mental health, business, legal, and consumer groups. It is also closely linked to the City's Alternative Housing Subcommittee and the Housing Department. The broad mandate of this group is to improve boarding, lodging and rooming house accommodation and supports provided to those who have mental health problems.

The Committee agreed that, thus far, a great deal of government attention has been focussed on the physically disabled. While their basic housing needs are now being addressed, there are several emerging issues which must be considered. To add to the complexity, there is very little documented information about this group.

Overall, the Committee believes there are six major areas in which either one, or both, of these groups is experiencing stress.

Large Supply Gaps. There is a dearth of low cost housing available to the psychiatrically disabled. The main problem revolves around the provincial policy of deinstitutionalization which began some 20 years ago. While institutions began diligently to discharge patients, there was little co-ordination to ensure that housing was available for them in the community. Most of these people rely upon social assistance and, therefore, require low cost housing, ranging from rooms to self-contained units.

Securing access to group homes, rooming and boarding houses, often suitable both from a cost and support perspective, is a particular problem. Units in rooming and boarding houses are being lost in large numbers within the City of Toronto. The major reason for the loss has been deconversion or "whitepainting", renovations to return large houses to their original single residence use for higher income owners. Another contributing factor has been the need for compliance with tightened fire safety regulations.

The result of both the continuing loss of this kind of housing and the continuing process of deinstitutionalization is that many psychiatrically disabled people have no stable housing. They are being forced to live on the street and they frequent short-term emergency shelters.

The physically disabled have a different problem regarding supply. There is an adequate, and perhaps even a slight over-supply, of units for those physically disabled persons who require minimal or no attendant care. The major concern is a short supply for those who need attendant care; some 3,800 institutionalized individuals in Ontario could live in the community with attendant care. This will be discussed in more detail below but the point to be made here is that units for the disabled are still needed; the nature of the need, however, has shifted.

Low Quality Standards. The Gerstein report noted that it is important to improve the physical standards of the boarding homes in which many chronic psychiatrically disabled people are living. At the same time it is imperative not to create an imbalance to the extent that the owner/operators of these homes cannot afford to comply. The net result would then be for these owners to close their facilities. One of the recommendations resulting from the report was the establishment of a Contract Aftercare Project (C.A.P.). The City undertook to implement, administer and monitor this through the Housing Implementation Committee also set up as a result of the Gerstein Report. One component of C.A.P. was to provide funding to repair and rehabilitate ten boarding houses in Toronto using physical standards adopted in the report. These standards are being monitored through both Habitat Services and C.A.P., and the Housing and Buildings and Inspections Departments are actively involved.

The above does not imply that all boarding houses within the City of Toronto are in poor condition. The Committee believes that neither the owners nor the residents of those properties in good condition should be subjected to the same level of inspection as the poorer ones.

The issue for the physically disabled focuses on materials. Given the presence of wheelchairs and/or other equipment in projects housing these individuals, general wear and tear is a concern. Common areas, as well as units, are affected. In addition, some of the disabled may have to apply unusual pressure to items such as cupboard handles, leading to accidental damage. Little detailed research has been done to establish what quality of materials is best suited to these conditions. It is important that more information be acquired in this area so that Cityhome and others can ensure they are effectively meeting the needs of this group.

Uncoordinated Support Funding. The psychiatrically disabled face a serious support funding problem, i.e., a limited, and sometimes non-existent, vacancy allowance. In this case, a vacancy allowance refers to funding which is provided to landlords if residents must be hospitalized or live elsewhere for a period of time, due to a crisis. When it is not available, the residents may lose their units. The landlords may also lose both tenants whom they would like to house and, of course, their rental incomes. The inevitable consequence is

reduced access to suitable housing for people who are already under a great deal of stress.

With regard to the physically disabled, the uncoordinated funding issue revolves around attendant care, presently funded by the Ministry of Community and Social Services through Orders-in-City Council . New programs are not expanding quickly enough to meet the needs of people requiring heavy support. Thus, they cannot move into available units. A coalition has recently been established around this concern, and the City has also created an Interdepartmental Committee for the Disabled. But at present, the absence of a "one-window" approach for groups trying to tie together funding for housing and support delivery has effectively kept physically disabled people out of many projects which could have served them very well.

Non-Existent Support Controls. One particular concern of the psychiatrically disabled population is the absence of controls on necessary support. Support in this case means the social supports being established to operate within homes in which the psychiatrically disabled live. Again, the Committee relied upon the Gerstein report and C.A.P. for its information. They outline the types of supports which should be in place. These include 24-hour staff, control of drugs and nutrition, medical care, nursing and programming (therapeutic and recreational). While these are either beginning to appear, or are being enhanced, there are no controls in place to ensure that they are provided. Nor is it possible to measure their effectiveness.

No Tenant Protection. At present, occupants of rooming houses, many of whom are psychiatrically disabled, are not protected under Landlord and Tenant legislation. They may, depending on their situations, be considered "licensees", with no rights, or "tenants", with security of tenure protection. The only way to establish this is to go to court. If a roomer cannot afford to do this, either in terms of time or money, he or she is vulnerable to eviction without cause or notice. There is little protection for roomers - they are "second class citizens".

Other problems which arise from this situation are that roomers have no privacy - the landlord may enter their premises any time, day or night, their belongings are seized for non-payment of rent and they cannot legally retrieve them, and there is no obligation on the owner (other than municipal by-laws) to keep the premises in good repair. Tenants are protected from these problems; "licensees" (residents of rooming and boarding houses) are not.

At the same time it is important to recognize that appropriate protection for those requiring supportive housing in a rooming house situation cannot be identical to that provided to other roomers. This is a complex area which has recently been the focus of a provincial Task Force on Roomers, Boarders and Lodgers. While this Task Force has wound down, an Advisory Committee to the Ontario Minister of

Housing has been established in its place. The City is represented on this Committee, as it was on the Task Force. This Committee also faces the difficult task of trying to balance protection issues to discourage a loss of housing if landlords believe the legislation is too onerous.

Weak Support Linkages. Weak support linkages are evident at several levels with regard to the psychiatrically disabled. An important linkage which has not developed adequately is that between owners/operators of rooming and boarding houses and the support agencies providing necessary services to their residents. Under C.A.P., a requirement is that a contract be signed with Community Occupational Therapy Associates (COTA), a support agency, before funding is made available to the owners of the houses. The contract refers to services ranging from individual assessment of residents to weekly support sessions with staff and operators. The criteria for the houses include nutrition, control of drugs and programming for residents. At the same time, COTA's support role will evolve as it gains experience in the homes. There is some skepticism from both owners and residents at present. Clearly, the relationship between the owners, residents and support groups must be strengthened. At another level, this Committee believes that City Council and staff must improve their own contacts in the support service community.

With respect to the physically handicapped, the weakness is the gap in the provision of attendant care, which may result in a crisis situation. For example, a relatively new Outreach Program does not provide attendant care during the night; if an attendant suddenly quits, the disabled person relying on him/her may be left with no assistance. The disabled are forced into lifestyle patterns which revolve around the availability of services. These problems add to the pressures on those who are already bearing a heavy burden.

Bewildered Refugees

During the course of our review process, the Committee was approached by the City's South East Asian Task Force. We also became aware that Toronto's Housing Department receives regular requests for assistance from refugees or their representatives. Based on what we read and heard, the Committee believes that refugees have serious enough housing and support problems to be included in our report.

Since the arrival of the "Boat People" in 1979, an estimated 30,000 South East Asians have emigrated to Metropolitan Toronto. According to the Task Force, Toronto can expect new refugees to continue to appear, noting an anticipated 200 Cambodian families alone in 1985/86. The unfortunate circumstances which forced these people to leave their homelands should not be exacerbated by the difficulties they face upon arrival in Canada. These can be characterized for the purposes of this report, as cultural and communication barriers, an exclusionary

residency requirement for social housing, and weak housing and support linkages.

Cultural and Communication Barriers. Not surprisingly, many refugee families find themselves in Canada with strong language and cultural barriers to overcome. They cannot read our newspapers, maps or signs, have no knowledge of our housing market and may have no income with which to pay for housing. The immediate result of this is an inability to seek accommodation.

Exclusionary Residency Requirement. Another difficulty refugees face in Ontario is that they cannot apply for subsidized housing until they have lived in this province for 12 months. This residency requirement, together with the above barriers, places them in an extremely weak position when searching for housing. The usual interim solution is to place refugees in hotels, an expensive option, hardly satisfactory in physical terms and not conducive to integration.

Weak Housing/Support Linkages. The final area in which refugees are encountering problems is a weak linkage between those capable of supplying housing and those delivering personal support. Eventually, many refugees live in crowded, poorly maintained housing operated by exploitive landlords. Their problems in this regard are not unlike some of the other groups mentioned in this report. Hard-pressed to fulfill their conventional responsibilities, support agencies have established very few links with groups such as the Housing Department, Cityhome, or the co-operative and private non-profit housing resource sectors.

Forgotten Roomers

Little research has been done to date to establish the needs of roomers - hence the term "forgotten". The City's Alternative Housing Subcommittee of the Neighbourhoods Committee is becoming actively involved in working with this group. Generally speaking, they are low income, single people, both men and women. The majority are middle-aged, although younger males are becoming more prominent. Many roomers suffer from medical disabilities which preclude them from working, at least full-time. They are therefore on fixed incomes.

The Committee heard that there are some 8,500 single people living alone in Metropolitan Toronto who require housing assistance. The City of Toronto is the main area of concentration of one-person households. The Metropolitan Toronto Task Force on Housing for Low-Income Single People (1983) presents an excellent overview of this group and their problems. In addition, a soon-to-be-released report commissioned by the City's Alternative Housing Subcommittee, entitled By Ourselves, contains information provided by the singles living in Cityhome's rooming house portfolio.

In essence, the plight of roomers revolves around three major issues: rapid housing stock depletion, no tenant protection and unacknowledged support requirements.

Rapid Housing Depletion. As mentioned earlier in this report, the City is experiencing a depletion of the supply of rooming and boarding houses and flats, especially through deconversions. Prior to deconversion, this type of housing may have been affordable to low income singles. To the extent that it was affordable, this group lost housing units. Another kind of accommodation suitable for them is the bachelorette - a smaller version of the bachelor apartment. These are no longer permitted in the City of Toronto, the reasons for which are discussed in the Bureau of Municipal Research's 1982 report entitled A Case for Bachelorettes. That document also called for re-instatement of the bachelorette as a viable form of affordable housing in the City.

No Tenant Protection. The problem of no tenant protection is discussed in some detail in the section of this report entitled Stressed Disabled. To recap briefly, rooming house residents are not protected under Landlord and Tenant legislation and, therefore, are vulnerable to summary eviction. The Committee feels strongly that roomers should be protected, but it also recognizes the importance of balancing this protection with a regard for landlords' concerns.

Unacknowledged Support Requirements. This Committee heard that many roomers need additional supports which have not yet been clearly recognized at a formal level. Outlined in the forthcoming report entitled By Ourselves, these supports are of both a social and economic nature. Often people living in rooming houses could benefit from having someone available to provide them with advice and information. This might range from how to cash a cheque to where to find free meal service if money runs out before the next disability payment arrives.

Since many roomers have medical disabilities, a regular monitoring service would help to ensure that their health is stable and they are able to take care of themselves. In addition, given that many roomers may be discharged psychiatric patients, support services should be in place to assist these individuals, should they require them.

Finally, and of no less significance, is the fact that low income single persons under the age of 60 are ineligible for rent-geared-to-income (R.G.I.) assistance unless they have a disability. This creates a severe hardship for those who simply have an affordability problem, comparable to that of senior citizens or families. The Committee takes the position that subsidized housing should be available for singles.

Trapped Homeless

This Committee also recognizes another group experiencing a severe housing crisis - the homeless. We agree, in principle, that a "Bowery" may be a necessary part of every city. It can be a supportive type of place for those who, for whatever reason, are unable or unwilling to cope with the responsibilities of everyday life. But we also acknowledge that a growing number of people are living on Skid Row today who neither wish to be, nor belong, there.

The Metropolitan Toronto Task Force on Housing for Low-Income Single People (1983) clearly identified this heterogeneous group as one which requires assistance. The homeless include singles and families, young and old, males and females, many of whom are psychiatrically disabled. And as noted above, while it is difficult to establish the actual number of homeless people, one estimate is that there are between 10,000 and 25,000 in Metropolitan Toronto. The two major problems they face are a perpetuating homeless treadmill and immature housing and support linkages. These are discussed below.

Perpetuating Homeless Treadmill. Stated simply, the treadmill implies that once people arrive on Skid Row, it is very difficult for them to leave. They find themselves caught in a cycle of day-to-day survival. The dilemma is that they are without jobs and, therefore, without money to pay for housing. Without a stable place in which to live, it is difficult to look for work. They become almost totally dependent on a social system established to help them exist on Skid Row but not to assist them in moving into a more stable environment. Their lives revolve around institutions, charity and handouts. While the City's Alternative Housing Subcommittee is active in this area, there is not yet a great deal of documentation on this issue.

One of the worst situations involves the individual who has been discharged from a psychiatric institution. Since little housing is available at an affordable price, he or she becomes part of a destructive treadmill - a situation never anticipated by the operators of hostels or emergency shelters.

Immature Housing/Support Linkages. The treadmill is, in a sense, encouraged by immature linkages between housing and supports. The Committee recognizes that some activity is taking place to assist the homeless in finding stable homes, with crucial support services. But these are recent and need evaluation. For example, the Homes First Society completed a project in 1985, which was built specifically to provide housing for homeless individuals. The unique design of this high-rise building includes two units per floor, each containing a common kitchen and living-room and either four or five bedrooms for the residents. Each floor houses people referred by a social service agency, which also provides on-going support to them. It is too soon to know how effective this accommodation is.

In 1985, the Alternative Housing Subcommittee also initiated a long term project which resulted in nine homeless men living on one floor in Homes First, as well as in two detached homes and in rooming houses. A key component is an outreach worker, who has provided extensive support, ranging from early discussions with men on Skid Row to encourage some to move into the project, to on-going follow-up after the move-in. The follow-up is gradually being transferred to a worker at Dixon Hall, a neighbourhood-based community centre. The City's financial contribution to this project includes: capital funding for an emergency shelter and a hostel; a management fee to Dixon Hall; staff salaries; and all but one of the properties.

The Subcommittee's evaluation of the above process, entitled Off the Streets, points out that the problem of homelessness is complex. Preliminary indications are that the process was positive, but there is a need for more work to be done in this area. Stable housing is only one goal to be achieved - however such an environment is defined. Assistance in coping with living in that environment is paramount, as is help in finding employment, either through training or otherwise. At this point it is unclear how much additional support is required, once stable housing is not itself an issue.

The development of mutual co-operation between those organizations attempting to provide housing and those providing additional supports has not yet matured. The City's Housing Department, and Cityhome in particular, has a mandate to provide housing. Other agencies, both government and community-based, have expertise in providing on-going support services. In addition, some community organizations are beginning to develop their own housing projects, including necessary support services, with unit allocations under the new Provincial housing programs. It is important to ensure that all of these parties have opportunities to strengthen their contact with each other.

Social Housing Tenants

Several issues which concerned the Committee dealt with current and future tenants of social housing. Many of these issues are relevant only to Cityhome, for whose tenants City Council has the most direct responsibility. Some concerns have broader application, such as those respecting general City Council policies or the operation of other social housing projects.

Emerging Target Dilemma. At present, all new non-profit projects are administered through the Ontario Housing Corporation, except for the Federal "Indexed Link Mortgage" (ILM) program for co-operatives. Subject to minimum proportions of lower income households (25 percent for co-operatives, 40 percent for all other groups), the 1986 non-profit program for the first time provides flexible subsidies. A group can now target its units as it sees fit, with any combination of market rents, very low income tenants or moderate income tenants paying RGI rents. The issue for City Council to resolve is what targetting is preferred.

Prior to 1979, all social housing programs had been delivered through the Canada (then Central) Mortgage and Housing Corporation. Additional subsidies were provided by the Ontario Ministry of Housing through its Community Sponsored Housing Program. The subsidy arrangements and rent-setting procedures were the same for all groups. Most agencies used a first come, first served waiting list. The final result was the achievement of similar client targetting by all social housing managers.

In 1979, both approval authorities and funding arrangements were split. Municipal non-profits began operating under some very rigid rules through the Province, while private and co-operative non-profits worked with looser guidelines through CMHC. The number of social housing sponsors expanded. Different tenant selection practices came into play. It became impossible to predict in advance of a project's occupancy how many low income households would be assisted and what their incomes would be.

Ineffective Tenant Participation. No matter what Cityhome has done to motivate tenants, few projects exhibit significant, sustained interest. One of the recommendations of Living Room was that Cityhome encourage full participation in management by residents. To this end, Tenant Relations Officers actively assist tenant organization efforts. Funds are provided through the City's Pre-Start-up and Management Grants Program to support on-going associations. However, most tenants are content not to be involved. They organize, if at all, only in response to serious problems, such as a large proposed rent increase or perceived deficiencies in maintenance. In newer projects, where rent increases are tied to market and have no relationship to cost increases, tenants have no financial incentive to monitor project expenditures.

An active tenant's association is of benefit to both parties - to the tenants themselves and to the landlord, Cityhome. The tenants can focus on issues of priority to them and can carry more weight if speaking collectively. Cityhome's communication with tenants is facilitated if it can deal with representatives rather than individual tenants on concerns of broader interest. Decisions on maintenance priorities can be based on tenant preferences rather than a single manager's perspective. But for tenants to have effective input, ways will have to be sought to involve them more than they appear to be willing to participate at present.

Disputed Co-operative Conversions. Four of Cityhome's projects have been converted to co-operative housing, the last one being in December, 1983. Such conversions restrict Cityhome's applicants from locations where City Council had earlier chosen to develop projects. On the other hand, they provide housing for tenants who wish to have control over their units. It is a thorny issue, with two good causes in apparent conflict.

Perceived Maintenance Problems. Cityhome has come under fire recently for problems in some projects, related to design, construction or maintenance issues. To a certain extent, this should be expected. As the highest volume producer of rental housing in Toronto, the odds are that problems will crop up. As a publicly owned corporation, whose tenants know they can approach members of City Council for assistance, Cityhome problems, which may not be worse than those of other landlords, are certainly more publicized.

Antagonistic Tenant Relations. Social housing by its very nature has a higher proportion of tenants with personal problems which are likely to affect other tenants or their obligations to their landlord. Because non-profit housing managers are aware of their social mandate, they may give tenants the benefit of the doubt and wait longer than usual before taking action against arrears or disruptive behaviour. Because the courts are aware that a tenant's non-profit unit may be his or her last recourse, they may be more lenient than in disputes between private sector landlords and tenants.

Taking into account the time spent trying to resolve a problem prior to taking legal action, the full duration of the problem may be extended unacceptably. This can be a drain on a project's operating budget and often continue a conflict among tenants which contributes to higher turnover.

Escalating Support Requirements. The requirements of social housing tenants for support beyond the provision of pure shelter are escalating for two reasons: first, agencies are dealing with clients with more severe physical and mental disabilities; second, most housing corporations have been in business for only a few years and are just now confronting the increasing needs of seniors growing older in their apartments.

Summary

In summary, few groups of citizens do not feel in jeopardy in the current housing situation. The middle class, families, seniors, small landlords, disabled, refugees, roomers and homeless - all face housing uncertainties. Our recommendations will be directed at relieving their anxieties.

A factual base is needed on which to build those recommendations. The next two chapters provide that base - the nature of recent trends in housing, and recent attempts by government to intervene to alter those trends.

CHAPTER THREE

RECENT HOUSING TRENDS

Introduction

The purpose of this chapter is to show how recent trends in housing have caused Torontonians to feel themselves in jeopardy. Because most studies of housing have concentrated their attention on rental housing construction, the chapter begins with a review of that field.

However, in the Committee's view, housing problems are not confined to rental construction. There may even have been an over-emphasis on it to the detriment of a more encompassing analysis of housing issues.

As a result, we deal in this chapter with a number of other, equally important issues - financing difficulties, volatility in non-rental production, the role of the land developer, construction costs, and the state of the housing stock.

Declining Rental Production. Of all observations of housing production in Toronto (and indeed in Ontario), one of the most striking, and certainly the most controversial, is the drop in private rental construction. The controversy has focussed on causes: is rent control the culprit or not? It is clear that unsubsidized construction has declined since rent controls were introduced, but many other factors were at play. High and fluctuating interest rates, erratic housing programs and tax breaks, and more stringent municipal approvals surely also contributed.

The Committee saw no purpose in trying to determine definitive causes (or assign blame) for past performance of the rental construction industry. It is more productive to comprehend the scope of the problem and its impact upon the people of Toronto, and then to propose practical remedial measures.

A decade ago, most apartment construction starts were rental. Since then, apartment production has fallen sharply and condominiums have at times represented a large share of building activity, so that the drop in new rental supply has been severe (Table 5). While the overall production trend is clearly downward, the decline has not been unrelieved. The biggest factor behind increases both in overall volume and in the rental share in 1977/78 and 1983 was the introduction of massive private sector subsidy programs: earlier, the Assisted Rental Program, in conjunction with MURB tax breaks, and later, the Canada Rental Supply Plan. The existence of this type of assistance appears to have been necessary for the continued involvement of the private sector in rental construction.

TABLE 5

Apartment Starts - Toronto Census Metropolitan Area, 1975-85 (1)

Year	Total	Rental	Percent
1975	10,777	n/a (2)	-
1976	9,672	n/a	-
1977	12,279	n/a	-
1978	12,493	n/a	-
1979	6,022	n/a	-
1980	7,184	4,682	65
1981	7,737	5,299	69
1982	7,973	7,305	92
1983	8,770	8,070	92
1984	4,029	3,123	78
1985	7,085	4,581	65

Source: CMHC Toronto Branch, Market Research.

(1) See Map 1

(2) Not available but prior to 1979 majority of starts were rental

TABLE 6

Apartment Starts in the
City of Toronto, 1983-1985

	1983	1984	1985
Private Rental			
-Non-NHA	99	64	109
-NHA Insured	405	-	200
-Subsidy Program	858	160	-
Subtotal	1362	224	309
Condominium	264	371	1333
Metro Housing Co. Ltd.	44	-	-
Cityhome	231	154	313
Cooperative, Private Non-Profit	513	484	789
Total	2414	1233	2744

Source: CMHC Toronto Branch, Market Research.

Nowhere has the inability of private builders to undertake rental construction without government help been more evident than in Toronto. A look at the last three years shows very little private activity outside of the condominium market without resort to at least National Housing Act insurance (Table 6). Although there was a mild resurgence in 1985 over 1984, as the fall in interest rates brought potential rents down to more competitive levels and private sector subsidy programs were taken up, the preference for condominiums continued.

This year and 1987 should be unique in that there will likely be a boom on all fronts in the apartment sector: increased allocations for social housing, new provincial private rental incentives (Renterprise and Convert-to-Rent) and strong condominium demand are all coming together fortuitously. The fact remains, however, that new rental housing will not be built in Toronto in substantial quantity unless large subsidies are provided.

When the decline in new rental production is combined with demographic forces creating more households and with pressures depleting the existing rental stock (described later in this report), the result is inevitable: tenants have a harder and harder time finding a place to live. Vacancy rates in the City have seldom been above one percent in the last decade. From a peak of 1.1 percent in April, 1983, they have since fallen steadily (Table 7).

TABLE 7

Vacancy Rates (%), City of Toronto
(Private Buildings, More than Six Units)

1983		1984		1985	
Apr	Oct	Apr	Oct	Apr	Oct
1.1	0.7	0.6	0.6	0.5	0.4

Source: CMHC, Rental Apartment Vacancy Survey, Oct. 1985.

Increasing Lending Restrictions. The services of lenders and brokers are crucial to the industry, and increasing lender conservatism has been a force for change. Residential development requires a great deal of financial capital. Between the second World War and the recession of 1982-83, builders regarded home development as an easy-entry business. Prior to the recession, banks provided money to builders on easy terms. During and after the recession, access to

funds was tightened. Lenders, experiencing more difficulty attracting funds, prudently imposed more stringent conditions on borrowers. Fewer would-be builders were able to obtain necessary capitalization.

While risk averseness has eased off in the last year or so, purse strings are still tighter than they were in 1981 and earlier, and the effects are especially notable in Toronto. Except for very large projects, usually involving redevelopment, much of the residential construction in the City has been handled by small-scale builders on small, in-fill parcels of land. These entrepreneur builders can no longer get the financing to buy sites on speculation. They are forced to take options, which is hard to do in active markets, and to pre-sell.

Only well-financed, experienced developers can operate in this environment. From a general business perspective, developers are more sophisticated today than pre-1981. However, with lenders less inclined to take the risks necessary for innovative types of housing projects, the industry has less ability to innovate, and instead repeats proven types of projects - producing conventional products for existing, well-understood markets.

Volatile Non-Rental Production. Primarily because of sporadic, massive government intervention in the ownership housing market, severe distortions have arisen within that market. Supply encouragement programs have caused sudden activity, resulting in the acceleration of sales from their normal pace. This leads to production downturns in the future.

These "boom and bust" cycles are not conducive to sound business planning and efficient production. Shortages of labour and materials are followed by excesses, making it impossible to plan future production or costs with any degree of accuracy. These cycles impact adversely upon the image of the industry, as the downturns cause a disproportionate number of builder business failures, leading to poor builder-purchaser relations. The Provincial New Home Warranty Program bears the added burden of servicing the homes of failed builders.

During boom periods, as production increases quickly, suppliers and tradesmen are caught by surprise. Quality tends to be sacrificed for production, again leading to poor homeowner-builder public relations.

Because the industry is perceived as cyclical, it is difficult to attract capable young people into the skilled construction trades. Afraid of lay-offs, they reject construction in favour of industries with a more stable business environment. Apprenticeship programs have not been used to good effect in training younger Canadians in building skills. In order to enhance their own operational and financial stability, many residential builders have been forced to diversify into general contracting, commercial and industrial construction. This shift in focus away from residential activities may detract from efforts to achieve greater efficiency in home building itself.

The Changing Land Developer. Many existing developers express the feeling that they have no options: they remain in the business because they have to dispose of current land holdings, and they would get out altogether if they were to receive an attractive offer. Of course, some of the biggest developers have done just that.

The large multi-discipline, multi-national companies, such as Cadillac-Fairview and Campeau, grew in the boom markets of the late 1950's. These kinds of organizations have rejected housing production as too cyclical and less profitable than commercial development. Their overhead expenses were also too high to compete with smaller operators. Their corporate management style no longer suited an industry that needed quick reactions to rapid market shifts.

A major change occurred in the separation of builder and developer in the early 1980's. In the past, one large company tended to carry a project through the whole process, from land assembly, through rezoning and servicing, to construction. Today's developer often goes only as far as taking a project from raw land to serviced building sites; a builder subsequently constructs homes on the serviced lots. The developer works within a long-term perspective and expects high profit margins; the builder's view is short term and his profits tend to be smaller. This specialization has some positive consequences.

The successful developer and the successful builder of 1986 are both smaller and leaner than in the past. They run tighter organizations which are able to react more quickly and are financially adept at coping with tighter lending restrictions. Their specialties enable them to be efficient in their field. A greater marketing orientation permits an on-going assessment of opportunities. They lack, however, both the size and the market which was behind the substantial production levels of the past. At the same time, some of these companies are growing quickly - a reflection probably of long-term cycles in the industry. But current builders have some way to go before they reach the scale of the big developers who have abandoned the residential market. With supply so deficient in some cities like Toronto, that sort of volume production could be very helpful.

Inflating Construction Costs. Rapid increases in construction costs have been an impediment to the delivery of reasonably priced housing, or at least minimally subsidized housing. For the most part, these increases are a direct result of the boom/bust cycles described above. If the cycles were less severe, prices would rise gradually with inflation.

Inflating costs are also forcing the industry to examine new, more cost-efficient construction methods, but progress in these areas is slow in Canada. Examples include factory-built (or manufactured) housing, new exterior cladding systems such as stucco or pre-cast panels instead of brick, expandable first-home styles and downsized houses. Public education is seen as a prerequisite to marketing, especially regarding size alterations.

Shortages of tradespeople are creating pressures to bring in skilled workers from overseas, especially from Eastern Europe. This would require relaxed immigration policies. Part of the answer, though, has to be a more concerted effort to attract and train our own youth. Cost pressures demand concessions on other fronts as well. The search for more efficient materials shows our building research is wanting, while the actual installation of such materials may well run afoul of the Ontario Building Code or of municipal by-laws.

Deteriorating Apartment Buildings. Of all trends in the housing market, those that cause most concern are related to the existing rental stock. While there is inadequate information available to assess the significance of property conservation needs in Toronto, it is clear that deterioration is a problem which must be addressed. Some four out of five of the City's low-rise apartment buildings were built before 1960, so that major systems (heating, plumbing, etc.) are likely near the end of their useful life. One way in which this is presently being dealt with is through the Low-Rise Rental Building Renewal Program recently offered by the Province of Ontario.

The situation with regard to high-rise apartments is less certain at present. Forty percent of Ontario's rental stock is comprised of this kind of structure, 80 percent of which is located in Toronto, Hamilton and Ottawa. One-fifth of Toronto's high-rise stock was built prior to 1960.

The provincial Ministry of Housing has recently committed itself to a High-Rise Rehabilitation Project in recognition of the fact that little is known about the conservation needs of this housing. It has prepared an analysis of the issues and is presently initiating an intensive in-depth study of high-rise rental stock in Ontario. The topics will range from an evaluation of technology to social and financial concerns. In addition, safety has been identified as a key element to be investigated. It will be important for the City of Toronto to play an active role in this long-range project.

Depleting Rental Stock. Losses of rental stock in the last few years in Toronto have offset gains through new construction. Supply programs are, at best, helping us to break even with respect to the availability of housing affordable to low and moderate income households. These losses have occurred through demolitions, conversions to other uses, and most significantly through "deconversions", a process whereby rental units in houses are switched to owner-occupancy. The prospect of future losses as a result of the same trends, as well as through physical deterioration, is truly disturbing.

The Planning and Development Department estimates that, from 1976 to 1985, there were about 11,000 units lost from the private rental stock of larger apartment buildings in existence in 1976, i.e., approximately 1,100 units per year. This is a net figure. In addition, almost 17,000 units vanished through deconversions. New

conversions added 7,000 units to the stock, leaving the City with a net loss of 1,000 units annually for the past decade. The market is very dynamic: conversions and deconversions, intensification (the creation of new units within multiple unit properties) and "de-intensification" - all occur simultaneously. But the losses far outweigh the gains. The Province has introduced programs to try to reverse the trend, by encouraging people to add rental units within their own homes. The incentives will have to be more substantial than at present, though, to have much impact on Toronto.

Some of the losses are more subtle and more difficult to measure, but no less devastating in their effect on the total supply of lower priced rental housing. Conversions to condominiums, to co-ownership (with owners having shares in the entire building) and to short-stay or tourist accommodation, have removed approximately 4,100 units (Appendix II). Luxury renovations have pushed tenants out of about 3,000 units in the last five years. All told, over 8,500 private rental units have been lost through these activities, and another 2,000 losses are being proposed.

There are no definitive data on tenants affected directly by all of these losses. Studies of individual buildings in Toronto which have been converted or renovated have found that many of the tenants were seniors, low income singles, and single parents - people on limited, fixed incomes.

Compared with the loss of 11,000 existing private rental units, there have been about 9,200 social housing units built in the City since 1975. Less than one-half of these have been geared to income. Losses due to demolition, conversion and luxury renovations have generally resulted in a reduced supply of relatively low rental units for which no amount of new supply, except rent-geared-to-income accommodation, can compensate. Considering the modest level of social housing construction, there are fewer low priced rental units now available than ten years ago, undoubtedly a factor in the growth of waiting lists.

Summary

This chapter has indicated that the concerns of most Torontonians are founded on real trends which are detrimental to their interests. Rental housing construction has dropped, financing is difficult, non-rental production is unnecessarily volatile, land developers have left the market, construction costs seem out of control, and the existing housing stock is suffering significant losses.

This situation has not gone unnoticed by government. The next chapter summarizes recent initiatives in government intervention. Their success, however, leaves cause for concern.

CHAPTER FOUR

RECENT GOVERNMENT INTERVENTION

Introduction

Recent government intervention appears dominated by a philosophy of regulation of the housing market. The trend of that regulation increasingly appears to have strangled housing production initiative, not to have liberated it.

Attempts to accomplish the latter usually take the form of subsidy assistance to those who might increase the housing stock. But even here, short-term government programs have led to an on-again, off-again atmosphere that inhibits entrepreneurial energy.

This chapter looks at each of those areas in which governments have intervened - regulatory protection, approvals, and support programs.

Increasing Regulatory Protection. All levels of government pay a great deal of attention to the housing sector. Housing has significant social overtones, and payments for housing represent households' largest single expenditure. In addition, residential development has a tremendous impact in the neighbourhoods where it is occurring and in its substantial spin-off effects. It is not uncommon to hear developers and builders speak of their industry as "regulated" in the same way as most monopolies are regulated, but without the associated economic advantages of a monopoly. Unfortunately, it often seems that regulations protect competing interests or in fact are perverse in their impact: by going overboard to protect the consumers of housing, they may excessively inhibit the supply which in the long run is the consumers' best ally.

While there have been recent initiatives taken to deal with overlapping rules, the real estate industry - both developers and owners - believe they are increasingly over-regulated. It is important to recognize that perceptions are the operative factor at play here. If new rules are perceived to be more detrimental to a builder or landlord than the status quo, they will inevitably lead to disinvestment and some withdrawals from the market.

Landlord/tenant legislation influences both construction and continued ownership of rental properties. Rent controls have often been cited as the main impediment to private investment in new construction. The proposed extension of the Rent Review Act to all rental buildings has not been welcomed by the industry. Landlord and tenant legislation favours tenants' rights more than in the past. This is a problem for many small landlords and homeowners who rent out space in their homes. They resent the infringement on their rights. Also, they may be discouraged by the complexity of the rules, considering their own inexperience and limited resources.

More legislative control, in the form of the Rental Housing Protection Act, has also been put in place. This legislation gives local municipalities the authority to impose conditions on applications for changes to rental properties. It has the potential to protect both the existing rental stock and tenants who may be displaced. It remains to be seen if it will be truly effective to stop further substantial attrition.

The complexity of regulations governing the building industry is enough to discourage the most sophisticated. The Ministry of Housing calculates there may be as many as 281 Provincial Acts and 472 sets of Regulations affecting some aspect of building activity. On top of that, federal standards and municipal by-laws and controls serve to make development a complicated process indeed.

The City's Zoning By-law is regarded as tough. Opportunities to build a residential project without a rezoning or at least a variance are unusual. Parking requirements are almost universally seen by developers, assisted and private, as unduly high, given actual use of parking spaces, and as inconsistent with City Council 's emphasis upon public transit.

The Committee accepts the need for City Council to intervene to stop losses from the existing rental stock, convinced as we are of the devastating impact of such losses. It must be recognized, however, that regulations which simply prohibit owners from re-developing or converting their properties do not remove the pressures. City Council has sought authority to control property use more extensively, but has not come to grips with providing some incentives for owners to preserve existing stock.

Frustrating Approval Process. A serious problem with municipal regulations affecting development is not just their increased restrictiveness, but their increased inconsistency. Rezonings have long been the norm in Toronto. But it is becoming more difficult to know what will be treated as a minor variance, to predict how that variance will be treated and to predict how a rezoning will be dealt with by City Council . For a while, after the Central Area Amendments to the Official Plan were approved, there were benchmarks for rezonings, but gradually Official Plan amendments are becoming more commonplace. Uncertainty is anathema to a developer, affecting land prices, bank financing and construction scheduling.

Builders now expect to negotiate - " to make a deal" whereby they will do something to meet the City's interest in exchange for receiving concessions from the Zoning By-law and from the Official Plan. The bigger the project, the greater the concessions and the benefits provided. But there are no rules, and developers do not know what to expect. This uncertainty inevitably adds to their cost of doing business.

Builders with regional experience are of one mind when it comes to the development approval process in Toronto: permit processing and inspections are more time-consuming and frustrating in the City than in other jurisdictions. This encourages them to take their business elsewhere. They believe that the review procedures followed by staff for applications of any substance allow ample opportunity for delays to be imposed. Public meetings are likely to result in pressure for change even where the changes suggested may not be legally required. The scheduling of public meetings is seen to be geared to the convenience of planners and the public, even if this results in arbitrary delays for the builder. Area planners assigned responsibility for specific projects may be part-time and not always available. Of course, it is also important to recognize that builders may not always submit plans and other documents, as required, which can lengthen the process, as well.

As in all large municipalities, builders see numerous inspectors during construction. If there is program or insured mortgage involvement, there are at least two levels of government involved. Builders consequently waste time responding to similar requests from a variety of sources.

Erratic Support Programs. The previous chapter noted two of the market consequences of the erratic levels of support which governments have directed to housing, namely, fluctuating construction starts and the related planning difficulties for an industry which needs stability. To gain a better understanding of program interventions, the Committee reviewed federal and provincial direct expenditures in the housing field over a ten year period (Appendix 1).

Dozens of programs were segregated into twelve major categories. Tracking both federal and provincial expenditures under each category over the ten years, and adjusting for inflation (Appendix 1, Table 4), one finds peaks and valleys in all categories, save one, for both governments. The sole exception is private rental housing, for which subsidies have increased steadily. The instability of government intervention is even more marked when the components of the expenditure categories are detailed. For instance, home ownership assistance, which has been so problematic for the industry due to its volatile nature, is represented by five federal and seven provincial initiatives (some overlapping) over the ten years.

The Committee also noted the dramatic shift in the share of support provided by the senior governments. For the first three years of the period studied (1974 to 1977) the Government of Ontario actually spent more on all housing programs than the federal government did across the entire nation - 75 percent more in 1974. By 1983, the Government of Ontario was spending 83 percent less than the Government of Canada. In real (inflation - adjusted) terms, federal expenditures increased more than five-fold in ten years, while provincial funding dropped almost one-half.

These figures provide eloquent testimony about the respective commitments the federal and provincial governments were prepared to assume over the last decade or so. They also help one to appreciate the current federal preoccupation with targeting subsidies and with cost-sharing. The Committee was gratified with the expanded provincial funding announced while this report was being prepared, but the history of program support to date is cause for some concern. Pressures on governments could all too easily lead to withdrawal or to the sort of on-again, off-again activities which have seriously undermined both social and private housing builders.

Another issue is with respect to experimental programs which are established from time to time, an example being the recent federal Index-Linked Mortgage (ILM) program for co-operatives. The Committee is strongly in favour of the concept of experimentation. It takes the position, however, that in the early stages these experiments should be treated independently.

Summary

In this chapter we have seen how government intervention, with unintended consequences, can be disruptive. To prevent this, City Council can take a significant lead - particularly as advocate for better and more long-term solutions to the housing problem.

The next chapter presents the Committee's recommendations on how this might best be achieved.

CHAPTER FIVE

MEETING THE NEED

Introduction

The first chapter outlined the momentum which was created in the City by the Living Room report. Chapter Two detailed the nature of citizens' concerns about housing in the City. The next two chapters provided an historical perspective of housing trends and government intervention. In this chapter the Committee presents its recommendations, including a somewhat detailed explanation of these. A formal summary of the recommendations appears at the beginning of this report.

The chapter begins with organizational considerations and a recommendation. Policy recommendations follow. Because programs change continually to reflect changing perceptions of need and the changing economic and legislative environment, many program recommendations are presented more tentatively than the organizational recommendation.

The remainder of this report presents the Committee's recommendations along the following lines:

- Modify management tools - to use financial, land and staff resources at the City's disposal more effectively;
- Coordinate regulatory controls - to align controls with City Council 's housing policy objectives and to reinforce program goals;
- Develop focussed procedures - to focus internal municipal (and Cityhome) processes;
- Advocate program improvements - to plug gaps in current programs; and
- Facilitate desired supply - to accommodate beneficial development.

Revise Organizational Structure

Clarify Department/Cityhome Roles. When the City adopted the Living Room report in 1973, it explicitly "adopt(ed) the role of coordinator of all housing programs implemented by the City...." To do so it established a Housing Department which had " responsibility for the planning and implementation of the land assembly and banking program and the City non-profit housing program...." It was also responsible "for the provision of technical support to non-profit groups wishing to produce new housing or acquire existing units and for the coordination and negotiation of the City's housing program generally".

The report further required the "coordination of all housing development, both private and assisted in accordance with the publicly stated objectives of City Council ".

It is apparent from the foregoing that City Council 's intention was to have the Housing Department provide assistance not only to Cityhome but to all producers of accommodation in the City of Toronto. Historically, the Housing Department did just that with a flurry of activity in its formative years by the provision of major housing development sites to the third sector and private developers, the St. Lawrence and Frankel-Lambert projects being two examples. That activity tapered off in the last few years but has picked up with the involvement of the Housing Department in several activities which are separate from those carried out by Cityhome. One can look at the efforts of the Department with regard to discharged psychiatric patients, the establishment of a Housing Registry within the Department, and the coordination of activity in dassisting the homeless through the hostel program into long-term housing within the community.

Worthwhile as these efforts are, however, criticism has been directed at the City for its failure to follow through on the promise contained in Living Room to provide leadership, guidance and technical assistance to all producers of housing. In the world outside of City Hall, Cityhome and the City Housing Department are seen as being one and the Housing Department is considered to have the sole function of assisting the non-profit corporation in its endeavours. Although the facts belie this impression, the impression still exists and it is the opinion of this Committee that there is a need to clarify the roles of the Housing Department and Cityhome. There is also a need to structure the Housing Department in such a way as to make its activity in the third sector more visible and to define that activity clearly as being distinct and separate from those of Cityhome.

The Committee believes that Cityhome should continue to take advantage of all senior government funding programs in the provision of social housing. In addition, Cityhome should pursue the development of the public/private schemes which it presently has underway and extend this activity into other parts of the City. The Housing Department for its part should continue to provide City Council and the third sector, including private non-profit and co-operative groups, and the private sector, with analysis and reports on a broad range of housing issues.

Expand Department Activities. The Housing Department should also create within its structure a group which will provide active development support to private non-profit groups and stronger research support services to all organizations wishing to develop social housing, including selected private rental developers. The Department should also pursue more vigorously the various efforts it has underway with regard to housing the homeless population, including the psychiatrically disabled and others who do not fit readily into the social housing program or are excluded altogether.

It is the Committee's position that a prerequisite to the effective implementation of all of the policies recommended in this report, and of those contained in the original Living Room, is the development of mechanisms that ensure that the City can take on functions in the housing field as the need arises. As a Committee we do not feel that the functions recommended can be performed successfully within the current organizational structure of the Housing Department. To this end we recommend that the Commissioner of Housing, in consultation with the Executive Director of Management Services, report to City Council on a reorganization, including budget implications and implementation, which will give effect to the recommendations and the focus of this report.

A final point to be made is that City Council should bear in mind that the Housing Department as an entity has become an important consensus builder, both within the Province of Ontario and in the nation as a whole. The Department is viewed as an advocate of social housing in general and as an initiator of improvements and changes to programs. It is also recognized as a leader in the less traditional housing areas, such as housing for the psychiatrically disabled, and is relied upon by others for technical and statistical data relative to all housing-related issues. Changes should not be made that would result in diminishing this important role.

Focus Financial Resources

Ease Property Tax Pain. The prospect of sharply higher property taxes resulting from re-assessment proposals are a source of anxiety to many homeowners. There is still some uncertainty surrounding whether or not re-assessment will be implemented. If it is, the Committee trusts that members of City Council will protect the interests of the main bulk of affected constituents, by calling on the province to permit some phase-in and/or credits for those who are hardest hit.

The serious equity issues of the property tax system merit a report on their own. This Committee believes that the inequities that now exist and the uncertainties arising from tinkering with taxes cannot be addressed adequately without massive changes in the entire system of tax credits and municipal finance.

In the absence of such broad reforms, we have confined ourselves to the property tax problems of just one group, i.e., tenants in Toronto, especially in non-profit rental projects. It is the opinion of the Committee that rental properties in the City of Toronto should not be taxed at a higher rate than owner-occupied premises, especially condominiums. The Committee also recognizes the complexity of this issue and suggests that a Subcommittee be established to investigate it. Membership should include relevant City staff, the Urban Development Institute, the Ontario Home Builders' Association and other groups who express an interest. City Council should request a report from this Subcommittee outlining what action the City should take to ensure the equitable taxation of all residential properties.

Redirect City Grants. Co-operative housing groups are a main user of the "management" part of the City's Pre-Start-Up and Management Grants Program. The Committee noted that, unlike other groups, co-operatives incorporate an unsubsidized surcharge into the capital costs of their projects which is used for research and education activities. The Committee believes that some of this funding should be redirected to individual groups, but this is an internal matter for the sector. The Committee was convinced that the small amount of funds provided by City Council cannot make any significant difference to the efficiency of management practices. This concern extended to the provision of management grants to Cityhome tenants as well, as discussed later.

The "pre-start-up" part of the City grants programs is weak since it is not formally co-ordinated with other start-up assistance. Co-operative and private non-profit groups in the City of Toronto do not normally have access to properly zoned land which they can use as the basis for an application for project approval. It is usual for groups to have to place an option on the land, to invest some time and money in investigating the site and working out preliminary development issues, all without benefit of start-up assistance from the senior governments. Sites have to be virtually ready to go before start-up funds are provided, and this just does not mesh with the way the market and the planning process work in Toronto - a fact acknowledged in the Preliminary Development funding provided for Cityhome through the Housing Department budget.

In the Committee's assessment, the Pre-start-up and Management Grants Program should be abandoned. A loan of up to $15,000 could be provided to co-operative and private non-profit groups. This would allow them much more flexibility in the kinds of sites they could look at for development purposes in Toronto. It is not enough money to cover all costs associated with site investigation and so on, so that the group will also be assuming some financial risk which will serve to check inefficiency. At the same time it should be understood that applying for these funds does not preclude co-operatives and private non-profit groups from attempting to acquire monies elsewhere. They may do so through the City's Grants Committee, which provides general grants to those involved in activities for the general public good, or Federal/Provincial Start-up programs. Nevertheless, the City will have to be careful to whom it lends its money. Although it is intended that these loans be recovered from project mortgages, some losses are inevitable. Municipal staff should be able to minimize loss potential. They are in a good position to determine the practicality of developing a specified site, both in planning terms and with regard to required government funding approvals.

Assuming there is more demand for a City Start-up Loan than there are loan funds available, it will be necessary to have some mechanism to allocate the loans. Once it is possible to determine the likely demand for assistance, the Commissioner of Housing should advise on an appropriate total budget. The Commissioner of Housing should also

consult affected groups and report on the administration and criteria to be used in the program.

Capitalize on Portfolio. Many proposals to respond to the City's housing problems, including some from this Committee, ultimately involve "new" money, or the infusion of additional capital resources. Finding that money is usually a matter of political commitment and priorities. City Council does have assets within the Cityhome portfolio. The Committee believes City Council should take every possible advantage of these. We have little more than ideas at present, which will require further investigation and development and consent from the senior governments to consummate.

Some of Cityhome's older projects are in prime locations and could command higher rents than presently being charged. Not many, but a few tenants are paying a fairly small percentage of their incomes for rent. Current agreements provide for rent-rebalancing arrangements whereby higher income tenants pay higher rents, but these have never been used because of an unsatisfactory rent formula and because Cityhome would not benefit from the revenue so realized. CMHC and OHC should be approached to gain their consent to a Cityhome-designed rebalancing, tied to tenant incomes, with revenues to be devoted to new non-profit development and maintenance. The Cityhome Board of Directors, in consultation with the tenants, should establish a rent-rebalancing policy.

Under current tax legislation, it may be possible to sell to and lease back Cityhome buildings from private real estate interests, who could then use depreciation allowances to offset income from other sources. Whether or not building ownership would revert to Cityhome after the depreciation allowance had been taken could be negotiable. The land could remain in Cityhome ownership and Cityhome would control tenancies. This would also require CMHC and OHC consent, but if the capital raised were to be used to finance new construction, thus reducing the pressure on conventional social housing programs, these governments might be receptive.

Expand Land Resources

Utilize Public Properties. A lot of land in Toronto is owned by public bodies - by the government directly, by corporations such as the TTC, by boards such as the Board of Education, or by groups such as Brewers' Retail over which governments do have substantial influence. There are extensive subsidies going into most of these organizations, just as there are into housing. If money can be saved by relocating some uses or redeveloping some sites to combine uses, pressure should be exerted to facilitate such action. Otherwise, either nothing will happen, or bodies which might be contemplating a property sale or redevelopment will be inclined to seek the highest offer, which may not be the most efficient approach when a more comprehensive view is taken. The first step in initiating improvements in the use of such properties would be to prepare an

inventory of those whose existing densities would permit intensification or the addition of residential space. The Commissioner of Planning and Development should be requested to provide this inventory.

Intensify Cityhome Residential. There are very limited opportunities to add residential units to Cityhome properties, but any opportunity is worth exploring. Most new Cityhome projects are at maximum allowed density limits. There are some older projects, however, where the site coverage is sufficiently below permitted levels that it may be possible to add more units, either to the building already there or in a separate structure elsewhere on the site. A quick check by the Planning and Development Department suggested four projects that merit review.

Several Cityhome projects incorporate commercial space into apartment buildings. Sometimes this was done deliberately to ensure adequate commercial services to area residents, sometimes it was done to reflect the neighbouring streetscape, and sometimes it was done because the zoning left no choice. Many of these spaces are financial losers and represent a drain on the project or the corporation. Even if they carry their own weight, the urgent need for rental housing demands that each commercial use in Cityhome projects be evaluated to determine if its value to the project and neighbourhood outweighs its potential as residential space.

Target Housing in Megaprojects. The discussion of problems faced by families noted that, aside from land assemblies owned by the City itself, Official Plan amendments may not adequately target units suitable for families with children in major development parcels. Sites such as the Railway or Massey Ferguson lands offer the greatest potential to add to the supply of new family housing in the City. (Family housing targets are included in the development of the Railway Lands and these should be monitored carefully.) Plan amendments and Development Reviews governing such developments should specify family housing targets, taking account of appropriate amenities, within any assisted housing requirements. Besides responding to the need for affordable housing for families, this approach would maintain some of the diversity widely seen as a positive characteristic of existing neighbourhoods.

Use Vacant Dwellings. The City's Alternative Housing Subcommittee is investigating the potential of using vacant private and publicly-owned dwellings in the City, even if only for short-term transition housing. This Committee believes that, wherever feasible, these properties should be used. This would be particularly beneficial to the many homeless people who are caught on the treadmill. City Council should request that the above study be accelerated.

Presently, in enforcing By-law 73-68, as amended, City policy is to ensure that necessary repairs are made to the exterior of any vacant residential building. The City has authority to do this work if the

property owner does not. When it is undertaken directly by the City, costs are recovered in a like manner to taxes, pursuant to the provisions of The City of Toronto Act, 1936, as amended. Such action removes the blighting influence of rundown properties in the neighbourhoods but does not return badly needed rental accommodation to productive use.

At present the City does not undertake repairs to the interiors of vacant properties. These are simply listed in the notices which are sent to the owners of occupied buildings. The Committee feels that the City should decide to repair not only exteriors but the interiors of vacant residential properties. It could then arrange to rent the property in order to recover the repair costs and pay on-going management costs. Before doing so, however, the City should seek amendment to The City of Toronto Act, or other appropriate legislation, to permit the City to collect repair and management costs through the occupancy of the premises. Occupancy by the owner should, naturally, be an alternative.

City Council should request the Commissioner of Buildings and Inspections, in consultation with the Commissioner of Housing, to prepare a detailed report on the development and implementation of this activity, including staff implications. The required special legislation should also be prepared by the City Solicitor.

Create Intensification Zones. One way in which the City should use its land resources more effectively is to encourage redevelopment. While there is little vacant land available in Toronto, the Committee believes there are certain already-developed parcels in the City which are ripe for residential or mixed-use redevelopment. The type of areas highlighted in our discussions included derelict commercial strips, marginal industrial lands and even, in some cases, existing residential stock. Under-utilized densities on these sites provide ideal opportunities to make better use of City land.

City Council has direct control over the processes which can either impede or encourage redevelopment. City Council should put incentives in place to encourage the private sector and others to build affordable housing on identified sites. This includes designating selected areas as "intensification zones". It also implies that regulatory controls, including selective demolition approvals, should be in place to facilitate residential activity in these zones, as discussed later in this report.

In addition, City Council will have to ensure that redevelopment which it facilitates does not adversely affect existing tenants, in compliance with the Rental Housing Protection Act. The prudent use of the City's land resources will help to increase the housing supply, while fostering a regeneration of healthy land uses.

Strengthen Staff Resources

Assist Non-Profit Development. The Committee often heard that many private non-profit groups, usually those affiliated with churches or community service agencies, simply do not know where to turn to get help to start a social housing project. Varied expertise is needed for the entire process of site investigation, site purchase, consultant arrangements, planning approvals, tenders and contract awarding.

Many groups are prepared to put their own valuable time into putting a development together. They usually are committed to providing on-going management support. They may well have access to land which could be developed. They may be established in the community so that they can smooth the path for a social housing project which would otherwise face forbidding opposition. The provision of a well known, reliable resource to complement a non-profit group's own efforts would be amply rewarded in creating developments that otherwise would not get off the ground.

The City should provide assistance to private non-profit groups, covering as required the range of activities from site acquisition to the completion of construction, with recoveries to be made from project budgets as permitted under non-profit program rules.

Provide Research Support. The approval process through which all social housing groups must go requires research input. Accurate, current data, an on-going familiarity with the market, and sophisticated analysis are essential to the process. Groups must be equipped to deal with a myriad of issues ranging from maximum unit price limits to setting market rents. Cityhome has been well served by the resources of the Housing Department in this regard. Similar resources should be made available through the Department to co-operative and private non-profit builders and indeed to some private rental developers, to facilitate projects which might otherwise fail to proceed or which could experience unnecessary delays or defects in design or marketing.

Coordinate Housing and Services. All of those included as the "forgotten" in this report - the disabled, refugees, roomers and the homeless - will benefit appreciably from a concerted effort to co-ordinate housing and services. This includes developing and maintaining strong linkages between the City and other public, private and community-based organizations. The Committee also recognizes that the nature and origin of the supports will vary, depending upon the group being housed. They will range from providing outreach support to the homeless, to the Public Health Department's assisting refugees to use services offered by the Ministry of Community and Social Services.

In order to ensure the best fit between those delivering housing and those looking for a place to accommodate clients needing specialized

support, the City should have a staff person responsible for coordinating these activities. By keeping in constant touch with both sides involved in such projects, this coordinator will be able to keep abreast of the latest knowledge respecting management and related design implications, so that design input can be made at a meaningful stage. The coordinator will also be able to build contacts amongst all related funding departments: the Ministries of Housing, Health, and Community and Social Services, as well as Metro Community Services. It will be easier to bring together funding commitments so that groups will not have to risk proceeding without subsidy guarantees.

Aid Small Landlords. Small landlords, including homeowners, offer a great potential to augment the supply of rental housing from within the existing stock. To encourage them to do so, it is necessary to have good information available to answer questions they may have. It is also important for someone to be available to explain specifically what is involved in making a decision on whether or not to rent out a property and how to arrange and manage a tenancy. This is something of an extension of existing Housing Registry functions, but the usual procedure at present is to refer a landlord or potential landlord to other sources of information. This includes referral to the City's Buildings and Inspections Department for accurate zoning information. It is believed that many people give up because they feel frustrated by the process. Being able to answer questions directly will take more time and expertise, but may pay off in encouraging more housing. The Commissioner of Housing, in consultation with the Commissioner of Buildings and Inspections, should report on this matter. The Committee also believes that the Government of Ontario should expand its role in the area of providing more advice and information to the small landlord.

Promote Property Intensification. The provision of clear information will help to free up space for rent that might not otherwise be made available. But more intensive use of some properties with under-utilized densities will require substantially more effort. The Committee believes there is a large stock of apartment buildings which have the potential for additions or whose sites can take additional structures, offering very attractive investment opportunities. City staff should identify properties with such potential, contact their owners to advise of the potential, and provide advice as to the planning procedures involved in realizing that potential. The Commissioners of Planning and Development and Housing should report on the staff implications of this effort.

Improve Public Information. Recently arrived refugees facing cultural and communication barriers require immediate assistance. It is the opinion of the Committee that the major responsibility for this group lies with the immigration authorities. However, it also believes that the City should play a role in assisting refugees. One of the ways to facilitate this would be to prepare and distribute information pamphlets to those who are their first contacts in Ontario. The South

East Asian Support Group and the Centre for Spanish Speaking People are two examples. The pamphlets could include a brief discussion of the housing market, both private and public and the intricacies of seeking housing in Toronto, including what the City provides and how the Housing Registry operates.

The above represents one specific way in which the City can improve its public information activities. At a more general level, there are many services which are provided by the City and many more which will be provided if other recommendations of this Committee are adopted. Unless these services are effectively brought to the attention of prospective users, they will be wasted. Word-of-mouth will gradually inform many non-profit and private developers, for instance, of the assistance the City is prepared to offer. But some people in these sectors will not have contacts with others in the same business. Some fairly heavy initial publicity followed by a lower key, continued public information strategy, will be required. City Council should support the implementation of such a strategy. Groups which have developed such a strategy, such as the Supportive Housing Coalition of Metropolitan Toronto, should be approached for information and advice.

Organize Interdepartmental Communications. It became apparent to the Committee that a continuous exchange of information among City staff dealing with housing policy and housing delivery issues is absolutely crucial to anticipating changes, to responding quickly and effectively to initiatives from outside City Hall, and to ensuring speedy implementation of internally originated initiatives. There presently exist no avenues for such a regular meeting of minds. Appropriate staff should be formally designated to meet and keep each other informed of their activities, and the Commissioner of Housing should schedule and organize these meetings.

Improve External Linkages. Linkages, like most forms of communication, are two-way. The community has a role in providing advice to municipal staff - keeping them up-to-date, for instance, on the needs of the hard-to-house, on supportive management issues, and on design requirements. The City can offer its strong advocacy voice, development and operational assistance, and help to co-ordinate the activities of housing and support delivery agents, as discussed earlier. For all this to work, there must be a forum for a continued exchange of information and ideas and, where necessary, for decisions to be made with respect to formal policy positions to be taken to City Council , or with respect to where and how City Council will allot its housing services for which the demand exceeds available resources. The model of the Alternative Housing Sub-Committee is a good one and should be reviewed to consider how the City can link staff to other external groups.

Coordinate Regulatory Controls

Prohibit Undesirable Conversions. Much of this report has focussed upon maintaining and protecting the existing rental stock. Controls

to prohibit undesirable conversions - to condominiums, hotel-type rentals, equity co-operatives, or simply "luxury" rental - are essential if headway is ever to be made against Toronto's housing problems without an unreasonably massive infusion of subsidies. The Government of Ontario has recently passed comprehensive legislation in this regard, but the effectiveness of this legislation is not clear. The Committee sees no need to propose alternative measures at this time, but the effect of the provincial amendments should be monitored closely.

Permit Selective Demolition. Demolition and demolition controls can have a serious impact on the supply of housing. On the one hand, demolitions have cost the City a substantial amount of affordable housing. On the other hand, indiscriminate use of demolition prohibitions could inhibit redevelopment which would be eminently sensible, or which could be sensible with other controls.

As described earlier, the Committee believes that certain areas should be redeveloped to intensify land use with more housing and mixed uses and to foster neighbourhood regeneration. A requirement for such redevelopment is the selective application of demolition controls, with protection for existing tenants an obvious pre-requisite.

Set Realistic Standards. If standards which the City or Province establishes either are, or appear to be, unrealistic or too costly, it discourages owners and increases the affordable housing supply problem. City Council should ensure that standards are reasonable. An example of this is the common complaint that fire equipment requirements, whether for apartments, rooming or boarding houses, are too expensive and excessive. This would be a good place to start a review to ensure that neither the City nor Province is being too demanding. The intention should be to conduct similar studies on other standards as they are identified as being unrealistic.

One area in which physical standards will be very important is in housing for the psychiatrically disabled living in boarding houses. These standards will be evolving through Habitat Services and C.A.P. Once appropriate standards are determined, City Council should take the necessary action to ensure their compliance, including procedures which recognize the variation in owners' compliances with them.

Design is also a consideration. Flexibility, especially as it relates to the physically handicapped, is a goal worth achieving. Since Cityhome is the major provider of units for the disabled in Toronto, its knowledge in this area should be documented. A survey of Cityhome's tenants in specially modified suites was just starting as the Committee concluded its work, to establish the needs, preferences and satisfaction of those who are now living in projects. The Committee expects the Commissioner of Housing will follow up on that research by providing its results to all interested parties and by revising guidelines as appropriate.

Coordinate Seniors' Legislation. The municipal and provincial legislation affecting the construction and management of housing for senior citizens has been outlined. Omissions, unnecessary overlaps and outright conflicts in regulations have arisen because inadequate account was taken of evolution in the type of care being provided and in the forms of housing best suited to accommodate seniors needing different levels of care.

The Committee assumes that all governments will accept the principle that seniors should be able, in fact should be encouraged, to live as independently as possible, and should have access to care tailored to their individual needs, with that access arranged so as to minimize disruption as care requirements change. The task at hand is to begin to translate this principle into practice.

The Planning and Development Department is currently reviewing provisions of the Zoning By-law respecting seniors' housing. This should clear up some confusion in definitions of various types of institutions. The Committee should request that group home legislation be revised to exempt congregate living arrangements for senior citizens. The present restrictions are excessive in regulating seniors' homes which surely are not a cause for neighbourhood anxiety. Shared accommodation for seniors should not be classed as group homes.

The provincial government should review the Nursing Home Act and the Ontario Building Code to permit more flexibility in design and care, with emphasis to be placed on classifying buildings with low levels of care as residential rather than institutional. The Committee suggests that those providing less than one and one-half hours of nursing or personal care per day could be examined under the Ontario Building Code as residential rather than institutional buildings. Consultation with the Mayor's Committee on Aging would be helpful.

The City should also look at the feasibility and legality of permitting zoning definitions of seniors' housing to be tied to use. The Committee recognizes that this has been proven to be unworkable in the past. The authority presently granted to municipalities discourages any planning concessions, such as reduced parking standards, to promote seniors' housing, especially that produced by the private sector. Closing off these options altogether is an unwarranted limitation on flexibility and innovation and this issue should be investigated by the Planning and Development, Housing and Legal Departments.

Regulate Personal Support. It is clear that discharged psychiatric patients require varying degrees of support in order to integrate themselves successfully into the community. Still in the early stages of development, specific information about the types of supports needed will be evolving over the next few years. City Council should try to ensure the effectiveness of support for this group, but it is unclear what the most appropriate control would be. The Committee believes that the provincial Ministries of Health, Community and

Social Services and Housing, in consultation with Habitat Services, should investigate the issue of developing, funding and implementing support standards and provide a report to City Council .

Amend Landlord/Tenant Laws. The fact that residents in rooming and boarding houses are not protected under landlord and tenant legislation is unfair and should be changed. This is a complex issue, however, and it must be dealt with sensitively from the perspective of both landlords and tenants. This Committee believes that City Council should await the results of the Advisory Committee to the Ontario Minister of Housing. Of course, any changes should benefit low income singles, many of whom are discharged psychiatric patients, as well as the owners of the houses.

Problems in handling difficult tenants in social housing were described earlier. The requirements of landlord and tenant legislation, combined with the current practices of social housing managers, impose high costs upon non-profit corporations and extend conflicts beyond the limits of acceptance for other tenants. Before looking to revisions in legislation, however, the Committee believes Cityhome should review its administrative procedures, in consultation with the City Solicitor, to see if they could be revised to ameliorate the situation.

Develop Focussed Procedures

Create Fast-Track Approvals. The Committee is convinced of the need to reduce the planning uncertainty confronting the builders of small rental or social housing projects. These builders face all the same approval delays encountered by builders of larger projects, but without the benefit of the internal resources or expected future revenues to lighten their burden. The uncertainty is more likely, therefore, to impede small projects which City Council should be making every effort to encourage.

Provided a builder submits proper documentation, we believe it would be reasonable to develop firm approval schedules, including maximum time limits for all reviews and processing. Of course, the possibility of appeals to the Ontario Municipal Board puts some of the timing beyond City Council 's control. Appropriate staff, in consultation with representatives of the Toronto Home Builders' Association, should be requested to develop and propose for City Council 's adoption such an approval process for rental and social housing projects with 50 or fewer units.

Target Tenant Selection. City Council should request the Cityhome Board of Directors to ensure that its sizeable rental housing portfolio is used as effectively as possible. To this end, there should be policies governing the rental of "market" units. The new program twist, allowing "shallow" subsidies for people with incomes falling between rent-geared-to-income limits and market rent requirements, demands a whole new set of policies. Controls on

occupancy cannot be overly dogmatic: unreasonable vacancy losses should not be sustained for the sake of holding units off the market until just the "right" household is found. But it may be possible to priorize applications within an acceptable rental time-frame. Of particular importance is the availability of suitable units for families with children. The Cityhome Board of Directors should be requested to develop appropriate rental policies. These could make the difference to some households having a hard time finding satisfactory accommodation. Any such policies, however, must respect long-term goals for the entire Cityhome portfolio mix.

Promote Tenant Participation. Problems encouraging tenant participation in management of Cityhome projects have been described. The City's Pre-Start-Up and Management Grants Program now provides some funding to help on-going tenants' associations, but problems with that Program have also been noted. The Committee believes that associations should not rely on City grants. Just as OHC can provide funds to the tenants out of federal and provincial subsidies, the Committee believes governments should support all social housing tenants who are themselves prepared to contribute to the costs of operating their association. Some Cityhome tenants' associations now get extra revenues by performing some management services. This should continue even if a cost-shared support program is in place.

Cityhome's Board of Directors, in consultation with tenants' groups, the Commissioners of Housing and Finance, and the City Solicitor, should propose to the Ontario Ministry of Housing methods to fund tenants' associations. These should be based on matching contributions from federal, provincial and/or municipal contributions, with tenants' contributions being collected as part of their rent. Tenant choice and interest should be the requirements for their participation.

Tenant involvement in Cityhome management should not be allowed to proceed to the point of project transfer to a co-operative except under very stringent conditions. Current provisions regarding vote requirements should continue. In addition, all rent-geared-to income tenants except people already living in the project should subsequently be referred from the Cityhome waiting list; the ownership of the land itself should rest with the City; and a lease should be extended to the co-operative.

Assist Threatened Tenants. Tenants in private housing subject to conversion, renovations or redevelopment pressures need help. The City should try to use its financial strength to facilitate property acquisitions by tenants or their agents, on the condition that they are not converted to ownership or condominiums, but into non-profit projects or co-operatives. This may be the only recourse for threatened tenants when all other avenues are exhausted. The City need not purchase properties outright, although this may sometimes be appropriate. But the City may be able to post security or provide a covenant so that private financing can be obtained. The City may also

be able to buy the land and lease it back to the tenants, thus offsetting any equity requirement. Appropriate staff, in consultation with the non-profit or co-operative resource groups which could become involved in such acquisitions, should investigate such deals. Although the Committee urges City Council to take direct action in this regard, senior governments should also be approached for assistance.

A major financial problem facing some tenants' groups wishing to purchase and convert existing private rental stock is the lack of sufficient up-front financing. The main reason for this is the estimated rehabilitation cost, an analysis of which is done at the point of purchase on a project-by-project basis. These costs are often up to $25,000 per unit. Groups have difficulty obtaining this additional funding, either through CMHC or the private sector and therefore lose opportunities to acquire units for social housing purposes.

There are several activities which the Committee believes could relieve this situation. First, the province should recognize that project-by-project cost analysis is misleading, with a built-in assumption that the entire project requires immediate rehabilitation. A suggestion is that it should be acknowledged that it is possible to undertake the work in stages. On that basis, tenants groups could initially purchase projects and assume normal carrying costs, excluding rehabilitation expenses. These groups could immediately establish a sinking or renovation fund by adding a specified amount to their monthly housing charge.

At the same time, the province could develop and provide an insurance scheme which would bridge the financial gap created if groups were required to undertake renovations before their fund was large enough to absorb the cost. This would, in effect, provide a safety net for tenants who wished to convert private rental housing but who could not take the up-front risks. It would also, of course, increase the supply of social housing within the City. The province should be requested to investigate the feasibility of establishing such a scheme.

Negotiate Best Deals. Density bonus and other rezoning and Official Plan negotiations involving zoning conversions in exchange (in part) for assisted housing have been the source of some controversy. Developers seek to transfer densities from one site to another and to pile as much commercial density as possible on their own parcel. It is incumbent upon the City to derive the maximum possible housing benefits from these negotiations, including both assisted and family housing. Developers themselves seek more clarity in the scope of these arrangements. The Committee, therefore, believes that appropriate guidelines should be adopted. In order to do this a review should be undertaken of the standards used in other cities, including San Francisco, California, which has considerable expertise in this area. Both the legality and the possibility of including

assisted housing in negotiations should be explored by the Commissioner of Planning and Development, in consultation with the Commissioner of Housing and the City Solicitor.

Housing Department staff have a great deal of land development experience. The Commissioner of Housing, in consultation with the Commissioner of Planning and Development, should be charged with the responsibility for negotiating the transfer or development of land or buildings for assisted housing.

Coordinate Scarce Resource Distribution. The Committee believes the City should acquire more sites for social housing. Recently, sites have been acquired from the Landbanking Account for Cityhome only, and sites which could have been used by other social housing groups have been turned down because Cityhome was not interested.

Each producer of social housing, public or private, makes its own arrangements from site acquisition to the completion of projects. This has often led to a competitive situation which can be particularly detrimental to some. There is a clear need for a mechanism to ensure liaison and co-ordination between the various public and quasi-public providers of social housing, e.g., Cityhome, the co-operatives, churches, etc. Such a liaison would help reduce friction and unnecessary competition for scarce resources such as land, density bonuses, housing and allocations.

It is suggested that the Neighbourhoods Committee create such a Liaison Committee by appointing one of its members as Chairman, and, in the initial instance, request involvement from the Co-operative Housing Federation, the City Housing Department, Cityhome, the Supportive Housing Coalition and the Metro Toronto Housing Company Limited. This group should be charged with recommending permanent membership, developing the terms of reference and reporting periodically, through its Chairman, to the Neighbourhoods Committee.

Constitute Housing Court. The City has a Maintenance and Occupancy By-law that applies to all residential properties. The effective application of this by-law has led to a major improvement in the maintenance of properties over the last twenty years. The effectiveness of by-law enforcement, however, is diminished by the manner in which violations are dealt with in court proceedings. Convictions lead to fines - not necessarily to removal of violations. The process is slow, cumbersome and often non-productive. Similar comments can be made about the enforcement of other By-laws and Acts that affect the maintenance and use of residential properties. It is time for a re-evaluation of the system.

City Council should investigate the alternatives to the present system and, in particular, the establishment of a Municipal Housing Court directed towards the rectification of violations, rather than the punishment of offenders. Jurisdictions in the United States have

established such Courts and their experience, effectiveness and structure should be reviewed.

Advocate Program Improvements

Treat Experiments Independently. The Committee believes that experimental housing programs introduced by federal or provincial levels of government should not acquire allocations or funding under existing programs until they are proven to be effective. Otherwise, they may weaken the impact of current programs. City Council should urge those governments to treat experiments independently until they have been tested.

Allocate to Meet Targets. Targets proposed by this Committee are found in the next section. These should be drawn to the attention of the senior governments to take into account in their allocation of subsidies. Almost as important as the level of allocations is the scheduling. Improvements are at long last being made to announce allocations earlier so that there is less risk in development, but in the City of Toronto, the reality of site acquisitions and planning is that two or three years can go by quickly. The provincial government now receives a three-year subsidy commitment and the same time frame should be provided to municipalities. The Committee also believes that these three-year commitments should be renewed annually. Funding commitments should reflect this time frame.

Standardize Tenant Selection. The thrust of most recommendations in this report ultimately is to increase the supply of affordable housing. The issue for many people, especially single parent families who now dominate social housing waiting lists, but still must wait an inordinately long time for help, is one of allocation of the space that is available.

The great need of single parents must be balanced against the housing needs of other groups. For single parents themselves, some account must be taken of the needs of both working and non-working households. On the Cityhome waiting list, the proportions of working single parents and of those who receive social assistance are roughly equal. Clearly many single parents seeking help with rental payments have poorly paid jobs. Still their incomes tend to be somewhat above those of their non-working counterparts. This means that, under the recent applicant priority system created by the Ontario Housing Corporation, and used in Toronto by the Metro Toronto Housing Authority, lone parent families reliant upon employment earnings are denied access to much of the affordable housing stock.

As established in Living Room, the objective of non-profit housing, in Toronto at least, has been to mirror as much as possible the composition of surrounding neighbourhoods, achieving an integration which makes projects more socially acceptable to their neighbours and minimizing any stigmatization of the residents. It would thus be counterproductive to give so much priority to any group that they

become concentrated in projects to the detriment of their acceptance by the community.

Since Cityhome's first-come, first-served waiting list reflects the proportionate needs perceived amongst potential recipients of rent-geared-to-income assistance, this list provides some guidelines on appropriate tenant selection priorities. Cityhome is presently working on the implementation of a "common housing priority list" in conjunction with the Metro Toronto Housing Authority. In related discussions, there should be a push to revise the "points" assigned to various measures of housing need, so that tenants selected will correspond to their representation on the current Cityhome list. Targets should therefore call for 60 percent of all family applicants selected to receive the heaviest rent-geared-to-income subsidies to be single parent families, and for one-half of these to be employed ("working poor") households.

Access by many groups to assisted housing can also be improved through more consistent eligibility criteria and applicant priority-setting amongst all social housing projects. At present, unless rent-geared-to-income applicants are referred directly from the MTHA waiting list, applicants can be selected at the complete discretion of each social housing agency, subject to eligibility restrictions set by senior governments. These latter vary from project to project, with, for instance, low income singles being eligible in some projects but not in others. All projects receive similar funding. In addition, the selection process within the co-operative sector varies by project, given the flexible program guidelines under which they operate. Needy people in comparable circumstances should have access to rent-geared-to-income assistance regardless of the sponsoring agency. The system used to accept and rate applicants should be standardized to a greater degree, while at the same time recognizing the flexibility within the co-operative sector.

Integrate Special Needs. Under the 1986 Federal-Provincial Non-Profit Housing Program there are provisions for singles demonstration projects and special needs projects, where supports are necessary. Admittedly, this helps to bridge the supply gap for the homeless, including the psychiatrically disabled. But the implication is that groups assisted in this way are not part of the mainstream in terms of requiring housing or support. They continue to be denied routine access to rent-geared-to income accommodation. This Committee believes it is paramount that these people be recognized as bona fide recipients of assisted housing (with or without supports depending on the circumstances). They should be treated no differently from seniors or families.

Stable integration of psychiatric patients is hindered by the difficulty they have when they are in crisis and must leave their residences temporarily and there is no vacancy allowance. The Committee believes the province should address this problem.

Eliminate Eligibility Restrictions. It is the opinion of this Committee that the twelve-month residency requirement with which refugees must comply should be eliminated. Not only is it onerous and discriminatory, but it also discourages their integration into the community. This does not imply that refugees are to be given a priority position on waiting lists. They should simply be eligible for assisted housing upon arrival in Ontario, rather than one year later. A condition of waiving the residency requirement, therefore, should be that no "points" are awarded to refugees for being located in emergency housing; since many refugees may be so housed, they could well take top priority under the current ranking system.

The Committee believes that parents under 18 years of age have as much, if not greater, need for affordable housing than their older counterparts. They should not be arbitrarily excluded from assistance by an unreasonable age restriction. We suggest the age limit for rent-geared-to-income eligibility be lowered to 16.

Cut Financing Costs. The Committee believes that, given the excellent risk record of social housing, CMHC should look to cutting its own insurance premiums (which ironically increase project costs and subsidies). Also, CMHC should endeavour to reduce private lenders' mortgage rates charged for social housing, perhaps by negotiating directly on behalf of several projects at once.

Encourage Good Management. Cityhome has two problems with managing and maintaining its properties. First, with so many non-subsidized tenants living in projects funded under Section 56.1 where rent has no relationship to the costs of their apartment, there is no financial penalty for wasteful behaviour. In addition, the rents of geared-to-income tenants never bear any relationship to costs. Second, whether in response to real or perceived deficiencies, Cityhome maintenance standards have come under a lot of criticism. On the latter, this Committee believes that the political pressures on Cityhome will bring about any changes required, even if this means additional staff. On the former, it would be worth exploring a rent increase formula for non-subsidized tenants living in Section 56.1 projects, based upon operating costs. For rent-geared-to-income tenants a formula blending adjustments for income changes and a factor for project operating cost increases should be applied. Such a formula would have to be based on separate components of operating costs, such as energy and maintenance. The Cityhome Board of Directors should discuss the possibility of developing these formulas with the Ontario Housing Corporation.

Ease Seniors' Cash Flow. Senior citizen homeowners are often "well-off" in terms of their assets, by virtue of their owning a mortgage-free house. But many have little disposable income. The City of Toronto was one of the first Canadian governments at any level to investigate the possibility of establishing some form of reverse mortgage instrument. These programs allow seniors to cash in on their

equity and permit them to continue to reside in their homes in the face of rising taxes and maintenance costs.

The City's research concluded that a municipally-run program could not operate efficiently. But neither the provincial nor the federal government has since shown any serious interest. Although psychological factors will discourage many seniors from participating in such a scheme, the net costs of a wide-scale program would be minimal. And the costs of having to supply housing to seniors who cannot afford to remain in their homes is high. The federal and provincial governments should be urged to consider their own establishment of reverse mortgage or similar programs.

Promote Property Intensification. The province's Convert-to-Rent Program described earlier is a good program which just is not generous enough to promote the conversion of non-residential space in Toronto, unless the owner of the property already has very substantial equity in it. Intensification of this sort offers great potential to increase the supply of rental housing in a relatively painless way, compared with the process of finding a vacant site, securing all planning approvals, and undertaking new construction. Such conversions will also produce more housing while maintaining the physical character of neighbourhoods. But for these conversions to occur on any substantial scale, investor/developers will have to be attracted. The Provincial Government should be urged to vary Convert-to-Rent funding arrangements in accordance with regional differences in market conditions. Further, homeowners should not be shut out from Convert-to-Rent just because they have used federal Residential Rehabilitation Assistance Program (RRAP) assistance. Indeed, the two programs should be combined and more funding should be available through RRAP to complement the conversion program.

Request Research Involvement. The Committee supports the recent initiative by the Ministry of Housing to undertake an intensive study of conservation needs in Ontario's high-rise rental stock. This will, no doubt, lead to policy formulation and program development. However, it believes that since a large proportion of this type of accommodation is within the City of Toronto, the City should be highly represented in terms of sample selection and involvement in the on-going process. In addition, the Committee understands that both the Ontario and Toronto Home Builders' Associations have been acquiring data in this area, which could provide valuable information, guidance and insight into this problem. Tenants groups should also be consulted.

City Council should request the Ministry of Housing to include representatives from the City, the Ontario Home Builders' Association, the Toronto Home Builders' Association, the Federation of Metro Tenants' Association and Metro Tenants Legal Services on the Committee which is conducting this study. A request should also be made to increase the sample size with respect to the City of Toronto stock to be surveyed.

Facilitate Desired Supply

Set Meaningful Targets. The Committee believes the methods used to set Official Plan housing targets over the last ten years have been seriously flawed. Essentially, these targets have been based upon optimistic assumptions about the levels of approvals which could be achieved under various housing programs.

Thus the targets really conveyed no sense of urgency - no powerful justification which could be used to encourage their achievement. Furthermore, the degree of detail contained in the targets, again a reflection of the programs on which they were based, made for difficult, and in some cases impossible, monitoring.

It is the opinion of the Committee that the Official Plan housing targets should be based upon a reasonable estimate of the need for additional units for low and moderate income tenants. This change in the target rationale has two implications. First, no reference should be made to programs, leaving the door open for new programs or innovative techniques to satisfy housing needs and count toward target fulfillment. Second, keeping track of additional units involves a net calculation: what is lost must also be taken into account, and the more that is lost from the existing housing stock, the greater will be the requirement for new units to compensate.

Obviously, a precise measurement of low and moderate income rental housing needs (and by rental, we include non-profit co-operative tenure) is not possible. The Committee believes that the estimates made in the Metropolitan Toronto Assisted Housing Study, while flawed, are the best now available. These estimates resulted in some targets which City Council supported earlier. We also support the "fair share" approach taken in the Metro study: all municipalities in Metro should work toward similar percentages of low income households in proportion to their populations.

The biggest problem with the Metro figures is that they do not incorporate those households presently ineligible for housing assistance under program regulations, even though their circumstances would certainly justify such assistance. Again, this is letting the programs drive the targets, rather than, more properly, the other way around. The Metro report did provide an estimate of the level of need of these ineligible households and this Committee's formal recommendation factors in that estimate.

A second problem with the Metro figures was the fifteen-year time frame over which the estimated need was spread, in order to derive short-term targets. This Committee believes that it is impossible, given the volatility of the economy and of the housing market, and given too the uncertainty of program funding, to look so far into the future. Existing needs should be met as soon as possible. A ten year horizon to meeting estimated need would be more appropriate. That is,

Metro's figures could be used but they should be spread over ten years.

The ambitious announcements of the Ontario Ministry of Housing offer a real chance to secure some significant improvements in both the supply and retention of affordable housing. These opportunities should be fully exploited. Close monitoring of targets will put City Council in a good position to step in and, using the other measures recommended in this report as well as the City's financial clout to back "third" sector (non-profit) efforts, complement senior government programs. Together, City Council and others, if determined, can meet these targets.

The Committee proposes a five-year target only, starting from the January 1, 1986 expiry of the current Plan targets and covering the period to January 1, 1991. We believe it is unrealistic to try to project outstanding needs beyond that point. Similarly, we see no practical advantage in trying to revise needs estimates every year, to set annual targets within the five-year framework, as now called for by the Official Plan. Of course, achievements should be monitored annually, so that City Council can heighten or relax its own efforts accordingly.

The target is broken down only into seniors and non-seniors housing. The Committee thinks it likely that data will be available to monitor achievements according to this division. We are disturbed, as are members of City Council , that losses from the existing stock have been especially harmful to seniors; recent shifts in housing funding priorities in favour of family housing may not adequately recognize these losses in Toronto.

With recent changes in social housing programs, the Committee expects that most new housing which will count toward targets will be rent-geared-to-income. The market component of social housing projects will not count unless it can be readily demonstrated that rents are affordable (and we understand that the Commissioner of Housing is already preparing a report on moderate rent targets, using more current income data). Similarly, any units in new private projects which are affordable to low and moderate income households could be counted, if by some agreement or program requirement they are judged likely to remain affordable for some time.

There will necessarily be some "guesstimating" about the relationship between the losses of existing rental housing and the low and moderate income focus of the targets. Not all housing lost is affordable to or occupied by low or moderate income households. The Committee trusts that, with some research into recent losses, the Commissioner of Planning and Development will be able to work out reasonable factors to apply to future losses.

The five-year target recommended by the Committee calls for 6,000 net <u>additional</u> units, or 1,200 units per year. This is a significant

increase over previously adapted targets, although it might not appear so at first glance, for a couple of reasons. First, the target focuses on housing which is truly affordable to low and moderate income households, and it is expected that objective measures will be used to establish this affordability. In contrast, previous targets dealt with programs, which did not entirely deliver housing meeting low and moderate income requirements. Second, the history of housing losses in the City of Toronto suggests that new housing will have to be built at substantially higher levels than the target figures themselves, if those losses continue at anything like their recent pace, in order to achieve the net position targetted.

In 1991, new targets will have to be set. The methodology should again be reviewed, taking into consideration the changes which have occurred in Toronto's housing market in the intervening five years.

Finally, the Committee notes that achievement of the proposed targets could reflect very little change or very substantial change in the make-up of the City. If the current stock continued to be used exactly as it has been, a relatively small number of people would be helped through the provision of a relatively small number of new units. But if substantial losses from the existing stock were to occur, with concomitant dislocation and increased affordability problems, achieving the same net gains in five years would require massive supply intervention. It will be important for City Council to ensure that losses are monitored. The targets thus serve as a reminder to protect and build upon what is now available.

City Council should request that the Official Plan be amended to reflect the above targets. In addition, it should commit itself to using all tools at its disposal, including financial covenants, to achieve them. A report should be requested from the City Solicitor, in consultation with the Commissioners of Housing, Planning and Development and Finance, with regard to the covenants.

Improve Zoning Incentives. The growing competitive advantage of condominium over rental investment in Toronto must be addressed. The Committee does not believe that zoning should be used to exclude the condominium option, which may postpone or cancel development plans altogether. It would be appropriate, however, to provide a zoning density bonus in mixed commercial-residential areas for private rental housing, as is now offered in the Official Plan for assisted housing, so as to even up the competition somewhat. It would be in addition to the existing bonus for assisted housing. The extent of this bonus has to be determined. Obviously, the City must recognize other efforts to stimulate private rental activity, such as the Renterprise and Convert-to-Rent Programs, and City Council should not be expected, with its own resources only, to make rental construction work. To protect the City, developers taking advantage of this bonus should not apply for condominium draft plans until completion and occupancy of the building.

The investigation of a rental bonus should involve private builders. It should consider the implications of its own success, including the impact on City services. This Committee believes that, in conjunction with other increases, a rental bonus may help restore the balance in the tenure of private development.

Recent changes to the permitted density calculations in CR zones, intended to encourage the creation of smaller units, have effectively removed the incentive to provide assisted housing in order to obtain a density bonus. The bonus should continue to be available and effective regardless of how calculations are made in any project.

This Committee could see no good reason why social housing should not be allowed to use density bonuses in R3 and R4 zones. The bonus in such zones could prove effective and should be extended accordingly.

Remove Zoning Impediments. The City's Zoning By-law contains various provisions which tend to impede, rather than promote, good development. City Council should strive towards removing these as they are identified. A major impediment at present is the fact that bachelorettes are not permitted. The Committee believes that they should be, in new buildings and in converted dwelling houses, since they potentially provide an acceptable form of affordable housing for the low income single person. City Council should reverse its position on the bachelorette, with due regard for parking, safety and enforcement.

The Planning and Development Department is expected soon to bring forward revised recommendations from the work of the Interdepartmental Task Force on Affordable Housing, based on a series of public meetings and comments. If adopted, these recommendations should provide some relief from overly restrictive zoning regulations. The Planning and Development Department will also be reporting on revisions to CIVI zones, to bring them into line with CR designations, which will provide more flexibility in residential densities permitted in these mixed use areas. Without trying to interfere with the work underway, this Committee believes there are certain key issues which should be addressed:

- rooming houses should be a permitted use in CR zones;
- parking requirements in CR and CIVI zones, which are typically well served by public transit, are onerous and should be reduced;
- little-used zoning descriptions, such as C1S, should be eliminated in favour of simpler classes, for the sake of clarity in influencing development intentions; and
- a long standing proposal to conduct a detailed parking requirements study outside the Central Area has not been undertaken and should proceed.

A major zoning impediment is not the zoning itself, but the rezoning process which offers substantial opportunity to delay the approval of a project. This has been a serious problem in the delivery of social housing, where opposition is against people and not planning, so that the delays usually do not result in significant design changes but can seriously jeopardize project funding. But politicians and project proponents have to stand firm. We are hopeful that more active public information activities could alleviate concerns before they surface and become entrenched in dealing with specific projects. Staff should be requested to report on a suitable strategy, together with budget implications, after consultation with groups who have developed these kinds of strategies.

Permit Unrelated People. There has been some discussion within the City of amending the Zoning By-law definition of "family" by decreasing the number of unrelated persons from five to three. The Committee believes this would be regressive, especially for long-term housing projects which encourage formerly homeless people and senior citizens (for example, with the new provincial equity co-operative program) to live in group settings. City Council should undertake to retain the existing definition. This will ensure the continuation of the opportunity for shared living, which is of great assistance to many people.

Encourage Innovative Projects. Given the serious housing and support problems that exist for many individuals today, the City should be open to accepting innovative ideas. This implies such things as encouraging, and being prepared to allow, the add-a-unit concept, granny flats and various forms of collective living. It means that the City should be prepared to consider creative options which may never have been tried in the past. To that end, a review should be undertaken of policies in other jurisdictions which have provided incentives to private developers. The City's Housing and Planning and Development Departments should be requested to report on a policy for the City to implement.

One positive step in this regard would be to consider allowing "floating zones", whereby a limited number of specific uses can be permitted without specifying a location in advance. For example, a municipality may recognize the need for, say, 1,000 additional units for low income seniors. It would establish a floating zone for 1,000 units for this group, without specifying where they were to be permitted. Locations would be considered as applications came forth.

One illustration of this is a district for senior citizens in Huntington, New York. Although total freedom in such an approach is very unlikely, the Committee believes this could ease restrictions on demonstration projects. An investigation should be undertaken to consider the possibility of creating "floating zones" in the City.

The flexibility to accommodate innovation and the resources to actually promote innovation is a recurring theme in this Committee's

recommendations, which will be beneficial to all groups described in our report.

APPENDIX 1

GENERAL NOTES TO TABLES

Table 1

Lists federal and provincial subsidies in various housing categories from 1974 to 1983. A more detailed breakdown is found in "Table Components" following Table 4, with notes describing the programs themselves.

Table 2

As Table 1, but adjusts all dollars to 1981 base.

Table 3

Lists federal expenditures just for public and non-profit housing from 1974 to 1983, in actual dollars and in dollars adjusted to 1981 base.

Table 4

Lists provincial expenditures as per Table 3. Factors used to adjust to 1981 dollars are taken from the Consumer Price Index for Canada--all items, annual average.

Primary sources included Canadian Housing Statistics and Ontario Public Accounts. Various data were confirmed with staff of CMHC, Energy Mines and Resources Canada, and OHC. Federal data relate to calendar years. Provincial data generally relate to the Ontario Government's fiscal year.

Source: Association of Municipalities of Ontario (December 1984).

TABLE 1 FEDERAL/PROVINCIAL EXPENDITURES ON HOUSING AND RELATED PROGRAMMES
IN MILLIONS OF $

	1974		1975		1976		1977		1978	
PROGRAM	FEDERAL	ONTARIO	FEDERAL	ONTARIO	FEDERAL	ONTARIO	FEDERAL	ONTARIO	FEDERAL	ONTARIO
Homeownership	10.60	97.90	49.00	163.70	25.50	262.60	29.40	207.30	34.80	21.60
Home Renewal	1.20	0.00	10.20	10.20	28.70	16.00	78.00	21.50	133.30	23.00
Community Renewal	46.00	0.80	56.20	17.30	84.40	32.40	172.50	42.10	218.70	39.20
Public Housing	63.40	46.20	87.00	57.30	117.20	110.70	141.10	113.10	179.00	111.10
Non-profit Housing	12.20	0.00	22.80	0.00	31.30	0.20	42.70	2.20	45.90	3.60
Research	9.40	0.00	12.30	0.70	14.20	1.60	15.00	1.20	14.30	0.20
Private Rental	0.00	0.00	0.20	0.00	2.60	0.00	9.90	0.00	17.70	0.00
Rural and Native	5.70	0.00	5.90	0.00	6.60	0.00	4.30	0.00	6.20	0.00
Student Housing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Losses	0.00	0.00	0.00	0.00	0.00	0.00	0.10	0.00	39.00	87.30
Area Projects	1.10	116.70	2.60	48.90	2.00	2.50	2.70	1.70	2.70	5.50
Summer Jobs	0.00	0.00	0.00	0.00	0.00	0.00	0.10	0.00	0.20	0.00
TOTALS	149.60	261.60	246.20	298.10	312.50	426.00	495.80	389.10	691.80	291.50

	1979		1980		1981		1982		1983	
PROGRAM	FEDERAL	ONTARIO	FEDERAL	ONTARIO	FEDERAL	ONTARIO	FEDERAL	ONTARIO	FEDERAL	ONTARIO
Homeownership	32.30	2.40	25.30	1.50	15.80	0.80	382.10	0.20	457.30	62.10
Home Renewal	187.00	20.00	320.50	20.00	247.60	20.00	394.80	20.00	409.80	9.80
Community Renewal	201.50	35.20	266.80	24.00	325.30	23.30	165.10	15.10	66.10	7.90
Public Housing	265.70	119.60	267.40	104.80	323.30	130.20	399.10	139.90	393.40	138.60
Non-profit Housing	48.00	6.20	50.50	9.30	83.40	12.10	200.60	12.20	380.00	13.10
Research	16.20	0.10	19.50	0.00	27.70	0.10	26.50	14.80	27.80	11.70
Private Rental	18.50	0.60	25.00	3.10	29.70	5.20	33.50	27.30	42.20	44.80
Rural and Native	5.80	0.00	5.30	0.00	5.50	0.00	4.60	0.00	4.60	0.00
Student Housing	5.20	0.00	3.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Losses	64.80	21.40	12.60	3.60	8.10	2.50	6.40	0.00	12.00	7.40
Area Projects	5.40	2.80	1.30	1.60	0.70	1.50	0.40	1.10	0.00	1.00
Summer Jobs	0.70	0.00	0.40	0.30	0.10	0.10	0.10	0.10	0.20	0.40
TOTALS	852.10	208.40	997.80	168.20	1067.20	195.80	1613.10	230.70	1793.40	296.90

TABLE 2 FEDERAL/PROVINCIAL EXPENDITURES ON HOUSING AND RELATED PROGRAMMES
ADJUSTED TO 1981 CONSTANT $
IN MILLIONS OF $

PROGRAM	1974		1975		1976		1977		1978	
	FEDERAL	ONTARIO	FEDERAL	ONTARIO	FEDERAL	ONTARIO	FEDERAL	ONTARIO	FEDERAL	ONTARIO
Homeownership	20.10	185.40	83.70	279.80	40.50	417.50	43.30	305.40	47.10	29.20
Home Renewal	2.30	0.00	17.40	17.40	45.60	25.40	114.90	31.70	180.40	31.10
Community Renewal	87.10	1.50	96.00	29.60	134.20	51.70	254.10	62.00	295.90	53.20
Public Housing	120.10	87.50	148.70	97.90	186.30	175.70	207.80	166.60	242.20	150.30
Non-profit Housing	23.10	0.00	39.00	0.00	49.80	0.30	62.90	3.20	62.10	5.00
Research	17.80	0.00	21.00	1.20	22.60	2.70	22.10	1.80	19.30	0.30
Private Rental	0.00	0.00	0.30	0.00	4.10	0.00	14.50	0.00	23.90	0.00
Rural and Native	10.80	0.00	10.10	0.00	10.50	0.00	6.30	0.00	8.40	0.00
Student Housing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Losses	0.00	0.00	0.00	0.00	0.00	0.00	0.10	0.00	52.80	1.18.10
Area Projects	2.10	221.00	4.40	83.60	3.20	4.00	4.00	2.50	3.70	7.40
Summer Jobs	0.00	0.00	0.00	0.00	0.00	0.00	0.10	0.00	0.30	0.00
TOTALS	283.50	495.40	420.60	508.50	496.80	677.30	730.10	573.20	936.10	394.60

PROGRAM	1979		1980		1981		1982		1983	
	FEDERAL	ONTARIO	FEDERAL	ONTARIO	FEDERAL	ONTARIO	FEDERAL	ONTARIO	FEDERAL	ONTARIO
Homeownership	40.00	3.00	28.50	1.70	15.80	0.80	344.60	0.20	390.10	52.90
Home Renewal	231.70	24.80	360.60	22.50	247.60	20.00	356.10	18.00	349.60	8.40
Community Renewal	249.70	43.70	300.30	26.90	325.30	23.30	148.90	13.60	56.40	6.70
Public Housing	329.20	148.20	300.80	117.90	323.30	130.20	360.00	126.20	335.60	118.20
Non-profit Housing	59.50	7.60	56.80	10.50	83.40	12.10	180.90	11.00	324.10	11.20
Research	20.10	0.10	21.90	0.10	27.70	0.10	23.90	13.40	23.70	9.90
Private Rental	24.20	0.70	28.10	3.50	29.70	5.20	30.20	24.60	36.00	38.30
Rural and Native	7.20	0.00	6.00	0.00	5.50	0.00	4.10	0.00	3.90	0.00
Student Housing	6.40	0.00	3.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Losses	80.30	26.50	14.20	4.00	8.10	2.50	5.80	0.00	10.20	6.30
Area Projects	6.70	3.60	1.50	1.70	0.70	1.50	0.40	1.00	0.00	0.80
Summer Jobs	0.90	0.00	0.40	0.30	0.10	0.10	0.10	0.10	0.20	0.30
TOTALS	1055.90	258.20	1122.70	189.10	1067.20	195.80	1455.00	208.10	1529.80	253.00

TABLE 3 FEDERAL EXPENDITURES ON PUBLIC AND NON-PROFIT HOUSING
IN MILLIONS OF $

PROGRAM	1974		1975		1976		1977		1978	
	CURRENT	1981 $	CURRENT	1981 $	CURRENT	1981 $	CURRENT	1981 $	CURRENT	1981 $
PUBLIC HOUSING										
Public Housing Subsidies	63.40	120.10	87.00	148.70	117.20	186.30	141.10	207.80	179.00	242.20
SUB-TOTAL	63.40	120.10	87.00	148.70	117.20	186.30	141.10	207.80	179.00	242.20
NON-PROFIT HOUSING										
Non-profit Housing	6.40	12.10	11.40	19.50	17.10	27.20	24.60	36.20	20.70	28.00
Cooperative Housing	.	.	1.80	3.10	3.90	6.20	5.40	7.90	6.20	8.40
Interest Reduction	.	.	.	.	.	.	1.30	1.90	4.80	6.50
Differential Interest	.	.	.	.	.	.	.	.	.	.
Real Estate Operating Losses	5.80	11.00	9.60	16.40	10.30	16.40	11.30	16.60	13.70	18.50
Land Lease	.	.	.	.	.	.	0.10	0.10	0.50	0.70
SUB-TOTAL	12.20	23.10	22.80	39.00	31.30	49.80	42.70	62.90	45.90	62.10
TOTALS	75.60	143.20	109.80	187.70	148.50	236.20	183.80	270.70	224.90	304.30

PROGRAM	1979		1980		1981		1982		1983	
	CURRENT	1981 $	CURRENT	1981 $	CURRENT	1981 $	CURRENT	1981 $	CURRENT	1981 $
PUBLIC HOUSING										
Public Housing Subsidies	265.70	329.20	267.40	300.80	323.30	323.30	399.10	360.00	393.40	335.60
SUB-TOTAL	265.70	329.20	267.40	300.80	323.30	323.30	399.10	360.00	393.40	335.60
NON-PROFIT HOUSING										
Non-profit Housing	11.10	13.70	5.40	6.10	1.00	1.00	0.20	0.20	0.10	0.10
Cooperative Housing	4.40	5.40	1.90	2.10	1.00	1.00	0.30	0.30	0.10	0.10
Interest Reduction	10.20	12.60	11.80	13.30	11.50	11.50	10.60	9.60	10.50	9.00
Differential Interest	1.00	1.20	16.60	18.70	60.90	60.90	182.70	164.80	362.70	309.40
Real Estate Operating Losses	21.10	26.10	14.70	16.50	8.90	8.90	6.70	6.00	6.50	5.50
Land Lease	0.20	0.20	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
SUB-TOTAL	48.00	59.50	50.50	56.80	83.40	83.40	200.60	180.90	380.00	324.10
TOTALS	313.70	388.70	317.90	357.60	406.70	406.70	599.70	540.90	773.40	659.60

TABLE 4 PROVINCIAL EXPENDITURES ON PUBLIC AND NON-PROFIT HOUSING
IN MILLIONS OF $

PROGRAM	1974 CURRENT	1974 1981 $	1975 CURRENT	1975 1981 $	1976 CURRENT	1976 1981 $	1977 CURRENT	1977 1981 $	1978 CURRENT	1978 1981 $
PUBLIC HOUSING										
Partial Contribution, OHC	.	.	.	.	.	.	.	.	.	.
Share of Subs, Family & Senior	28.20	53.40	41.50	70.90	53.70	85.40	70.00	103.10	73.60	99.60
Share of Commercial R/S	.	.	.	.	.	.	6.70	9.80	7.00	9.50
Advances for OHC Projects	17.80	33.70	15.50	26.50	56.00	89.00	36.10	53.20	30.40	41.10
Grants for Elderly Housing	0.20	0.40	0.20	0.30	0.80	1.30	0.30	0.40	0.10	0.10
SUB-TOTAL	46.20	87.50	57.30	97.70	110.70	175.70	113.10	166.60	111.10	150.30
NON-PROFIT HOUSING										
Share of Community Sponsor R/S	.	.	.	.	0.20	0.30	1.70	2.50	1.90	2.60
Rent Reduction Grants	.	.	.	.	.	.	0.50	0.70	1.70	2.40
Assistance for PNP & Co-op	.	.	.	.	.	.	.	.	.	.
Incentive Grants for MNP	.	.	.	.	.	.	.	.	.	.
Advisory support for N-P group	.	.	.	.	0.03	0.05	.	.	.	.
SUB-TOTAL	.	.	.	.	0.20	0.30	2.20	3.20	3.60	5.00
TOTALS	46.20	87.50	57.30	97.70	110.90	176.20	115.30	169.80	114.70	155.30

PROGRAM	1979 CURRENT	1979 1981 $	1980 CURRENT	1980 1981 $	1981 CURRENT	1981 1981 $	1982 CURRENT	1982 1981 $	1983 CURRENT	1983 1981 $
PUBLIC HOUSING										
Partial Contribution, OHC	.	.	0.10	0.10	.	.	.	.	.	.
Share of Subs, Family & Senior	81.90	101.50	90.10	101.40	111.50	111.50	123.90	111.70	120.80	103.00
Share of Commercial R/S	8.80	10.90	11.00	12.40	11.90	11.90	12.30	11.10	13.90	11.90
Advances for OHC Projects	28.90	35.80	3.60	4.00	6.80	6.80	3.70	3.30	3.90	3.30
Grants for Elderly Housing	.	.	.	.	.	.	.	.	.	.
SUB-TOTAL	119.60	148.20	104.80	117.90	130.20	130.20	139.90	126.10	138.60	118.20
NON-PROFIT HOUSING										
Share of Community Sponsor R/S	3.10	3.80	4.60	5.20	6.00	6.00	5.80	5.20	6.00	5.10
Rent Reduction Grants	3.00	3.70	4.70	5.30	6.00	6.00	5.80	5.30	5.70	4.90
Assistance for PNP & Co-op	.	.	.	.	.	.	0.10	0.10	0.90	0.80
Incentive Grants for MNP	.	.	.	.	0.04	0.04	0.50	0.40	0.50	0.40
Advisory support for N-P group	0.10	0.10	.	.	0.05	0.05	.	.	.	.
SUB-TOTAL	6.20	7.60	9.30	10.50	12.10	12.10	12.20	11.00	13.10	11.20
TOTALS	125.80	155.80	114.10	128.40	142.30	142.30	152.10	137.10	151.70	129.40

NOTES TO "FEDERAL EXPENDITURES - TABLE COMPONENTS

1. Canadian Home Insulation Program (CHIP). Home ownership insulation program initiated in 1977, still active in 1984. Data for 1977 to 1981 from Ontario CHIP Co-ordinator; data for 1981 to 1983 from Energy, Mines and Resources Canada.

2. Home Insulation Program (HIP). Applied to Nova Scotia and P.E.I. only until end of 1981, then incorporated in CHIP. The figures for 1982 are grants issued during wind-down period. Source: Energy, Mines and Resource Canada, Energy Conservation and Oil Substitution Branch.

3. Urban Renewal Grants. New commitments ended in 1968, but expenditures relating to earlier commitments continue.

4. Sewage Treatment Loan Forgiveness. Under Section 51 (NHA), CMHC made financial contributions to create or expand sewage treatment or water supply facilities. New commitments ended in 1978.

5. Community Services Contribution Program (CSCP). Amalgamated Municipal Incentive Grants, Neighbourhood Improvement Program and Sewage Treatment Program in 1978. CSCP was a block grant program to Provinces, largely for community related (infrastructure) assistance. Ontario chose to set some-CSCP funds aside for non-profit housing, reducing mortgage principal: $5.2 million in 1981, $9.2 in 1982 and $2.0 in 1983; these funds were not so allocated by CMHC directly and federal data on CSCP combine all expenditures as indicated. New CSCP commitments ended in 1980, with expenditures continuing into 1984.

6. Interest Rate Loss. Interest rates on loans to province for developing, planning or servicing new communities are lower than rates charged CMHC by the Federal Treasury.

7. Public Housing Subsidies encompass capital and operating subsidies and real estate losses associated primarily with NHA Sections 40 (75% federal capital assistance, 50% share of operating losses) and 43 (50% share of operating costs in program involving 90% recoverable federal loan).

8. Non-Profit Housing Program. Under Section 15.1 (NHA), CMHC forgave 10% of loans made to non-profit (public and charitable) housing corporations to construct, acquire or improve a housing project.

9. Co-operative Housing Program. As (7), for co-operative non-profit corporations, under Section 34.18 (NHA).

10. Interest Reduction. Loans made by CMHC to non-profit and co-operative housing corporations under Sections 15.1 and 34.18 (NHA) used 8% rate of interest.

11. Differential Interest Contributions. Private loans received by non-profit and co-operative housing corporations under Section 56.1 (NHA) are subsidized by CMHC to as low as 2%.

12. Real Estate Losses - Operating. Contribution made by CMHC for operation of non-profit corporation holdings between time of CMHC acquisition and subsequent sale.

13. Land Lease. Land acquired and improved by CMHC has been leased at low rental rates to non-profit corporations.

14. Housing Research. Expenditures include payments made under the Community Resource Organizations Program (CROP) - subsidies to co-operative resource groups. A separate breakdown is not available.

FEDERAL EXPENDITURES

TABLE COMPONENTS

	74	75	76	77	78	79	80	81	82	83
Homeownership										
Asisted Home Ownership Plan (AHOP)	5.0	10.1	21.7	29.3	34.8	32.3	25.3	15.8	13.6	7.4
First-time home buyers grants	5.6	37.5	3.6	0.1	-	-	-	-	-	-
Admin. fees	-	1.4	0.2	-	-	-	-	-	-	-
Canadian Homeowners Stimulation Plan	-	-	-	-	-	-	-	-	361.8	416.9
Canada Mortgage Renewal Plan	-	-	-	-	-	-	-	-	6.7	33.0
TOTAL	10.6	49.0	25.5	29.4	34.8	32.3	25.3	15.8	382.1	457.3
Home Renewal										
Canadian Home Insulation (1)	-	-	-	1.2	13.0	72.7	205.6	116.6	219.1	53.2
Residential Rehabilitation	1.2	10.2	28.7	62.6	88.3	97.1	106.8	125.7	135.2	182.8

	74	75	76	77	78	79	80	81	82	83
Canadian Home Renovation	-	-	-	-	-	-	-	-	37.0	173.8
Home Insulation (2)	-	-	-	14.2	32.0	17.2	8.1	5.3	3.5	-
TOTAL	1.2	10.2	28.7	78.0	133.3	187.0	320.5	247.6	394.8	409.8

FEDERAL EXPENDITURES

TABLE COMPONENTS

	74	75	76	77	78	79	80	81	82	83
Community Renewal										
Urban Renewal Grants (3)	13.5	10.1	6.7	7.5	8.3	4.9	3.6	3.1	7.9	2.0
Sewage Treatment Loan Forgiveness(4)	25.7	31.3	51.2	78.6	105.2	94.8	64.8	38.3	13.3	6.3
Neighbourhood Improvement	2.7	6.3	12.5	21.7	32.3	31.1	29.3	21.7	14.1	17.2
Municipal Incentive Grants	-	-	2.1	36.3	45.8	35.1	16.2	3.3	2.5	-
Community Services (5)	-	-	-	-	-	0.2	86.6	209.7	87.3	15.3
Losses re Property Sales	-	-	0.3	1.2	1.2	7.8	41.5	27.4	15.6	4.2
Interest Rate Loss(6)	4.1	8.5	11.6	27.2	25.9	27.6	24.9	21.8	24.3	21.1
TOTAL	46.0	56.2	84.4	172.5	218.7	201.5	266.9	325.3	165.1	66.1

FEDERAL EXPENDITURES

TABLE COMPONENTS

	74	75	76	77	78	79	80	81	82	83
Public Housing										
Public Housing Subsidies (7)	63.4	87.0	117.2	141.1	179.0	265.7	267.4	323.3	399.1	393.4
TOTAL	63.4	87.0	117.2	141.1	179.0	265.7	267.4	323.3	399.1	393.4
Non-Profit Housing										
Non-Profit (8)	6.4	11.4	17.1	24.6	20.7	11.1	5.4	1.0	0.2	0.1
Co-operatives (9)	-	1.8	3.9	5.4	6.2	4.4	1.9	1.0	0.3	0.1
Interest Reduction (10)	-	-	-	1.3	4.8	10.2	11.8	11.5	10.6	10.5
Differential Interest (11)	-	-	-	-	-	1.0	16.6	60.9	182.7	362.7
Real Estate Losses Operating (12)	5.8	9.6	10.3	11.3	13.7	21.1	14.7	8.9	6.7	6.5
Land Lease (13)	-	-	-	0.1	0.5	0.2	0.1	0.1	0.1	0.1
TOTAL	12.2	22.8	31.3	42.7	45.9	48.0	50.5	83.4	200.6	380.0

FEDERAL EXPENDITURES

TABLE COMPONENTS

	74	75	76	77	78	79	80	81	82	83
Research/Demos										
Housing Research (14)	9.3	12.2	14.1	14.9	14.2	16.2	19.4	27.4	26.4	27.8
New Communities	0.1	0.1	0.1	0.1	0.1	-	-	-	-	-
Purchase and Use Solar Heating	-	-	-	-	-	-	0.1	0.3	0.1	-
TOTAL	9.4	12.3	14.2	15.0	14.3	16.2	19.5	27.7	26.5	27.8
Private Rental										
Canada Rental Supply Program	-	-	-	-	-	-	-	-	1.2	5.4
Assisted Rental Program	-	0.2	2.6	9.9	17.7	19.5	25.0	29.7	32.3	36.8
TOTAL	-	0.2	2.6	9.9	17.7	19.5	25.0	29.7	33.5	42.2

	74	75	76	77	78	79	80	81	82	83
Rural/Native										
Rural and Native Housing	5.7	5.9	6.6	4.3	6.2	5.8	5.3	5.5	4.6	4.6
TOTAL	5.7	5.9	6.6	4.3	6.2	5.8	5.3	5.5	4.6	4.6
Student Housing										
Student Housing	-	-	-	-	-	5.2	3.2	-	-	-
TOTAL	-	-	-	-	-	5.2	3.2	-	-	

FEDERAL EXPENDITURES

TABLE COMPONENTS

	74	75	76	77	78	79	80	81	82	83
Losses										
Losses on Loans	-	-	-	0.1	0.9	4.8	12.6	8.1	6.4	12.0
Discount on Mortgage Sales	-	-	-	-	38.1	60.0	-	-	-	-
TOTAL	-	-	-	0.1	39.0	64.8	12.6	8.1	6.4	12.0
Special Area Projects										
Cite du Havre	0.4	-	-	-	-	-	-	-	-	-
Granville Island	0.7	2.6	2.0	2.7	2.7	5.4	1.3	0.7	0.4	-
TOTAL	1.1	2.6	2.0	2.7	2.7	5.4	1.3	0.7	0.4	-

	74	75	76	77	78	79	80	81	82	83
Summer Jobs										
Summer Jobs	-	-	-	0.1	0.2	0.7	0.4	0.1	0.1	0.2
TOTAL	-	-	-	0.1	0.2	0.7	0.4	0.1	0.1	0.2

NOTES FOR "PROVINCIAL EXPENDITURES - TABLE COMPONENTS"

1. OHC Advances for Rental Projects. Formerly related to advances for OHC public housing projects; capital funding is still provided under Section 40 (NHA) for seniors housing in rural areas.

2. Share of Subsidies. Includes operating subsidies for public housing under the Provincial Assisted Rental program and the Municipal Assisted Rental program, the latter used only by the Metro Toronto Housing Company Limited.

3. Share of Commercial Rent Supplement. Subsidies paid to private landlords to cover rents in units housing families and seniors paying rent according to income, referred by local housing authorities. Data for 1977, 1978, 1979, and 1980 relate to calendar year rather than fiscal year.

4. Rent Reduction Grants. Grants made to municipal and private non-profits funded under Section 15.1 (NHA) and to co-operatives under Section 34.18 (NHA) for general rent reduction, and to municipal non-profits funded under Section 56.1 (NHA) for rent-geared-to-income assistance for low income tenants.

5. Assistance Payments for Private and Co-op Non-Profits. Grants made through the Ontario Community Housing Assistance Program (OCHAP) for rent-geared-to-income assistance for low income tenants under Section 56.1 (NHA).

6. Share of Community Sponsored Rent Supplements. Rent-geared-to-income assistance provided for low income tenants in private and municipal non-profits funded under Section 15.1 (NHA) and co-operatives funded under Section 34.18 (NHA).

7. Ontario Housing Action Program (OHAP). Includes the Housing Incentive Grant, for development and administration of housing development at municipal level; Development Grants, engineering studies for municipal infrastructure.

8. Neighbourhood Improvement. Includes federal NIP program, reflecting provincial share of costs for projects starting in 1973, with final funding allocations made in 1978; provincial ONIP program, with unilateral provincial assistance under municipal matching formula.

9. Urban Renewal. Notes 25% provincial contribution to federal program. Program terminated in 1968, with some projects still in implementation stage.

PROVINCIAL EXPENDITURES

TABLE COMPONENTS

	74	75	76	77	78	79	80	81	82	83
Home Ownership										
Grants to Reduce debt Service for homeowners	-	-	-	-	0.1	0.6	0.8	0.4	0.1	0.0
Grants to First Time Homebuyers	-	-	84.7	24.4	18.3	0.1	-	-	-	-
Interest Subsidies re homeowners	-	-	-	2.5	3.1	1.7	-	-	-	-
Advances for OHC Ownership Projects	30.4	30.7	-	-	-	-	-	-	-	-
OHC Interest Subsidies re homeowners' payments	-	-	-	-	-	-	0.7	0.4	0.1	0.1
Renter-Buy	-	-	-	-	-	-	-	-	-	62.0
OHC re H.O.M.E., Accelerated Family, etc.	67.5	133.0	177.9	180,4	-	-	-	-	-	-
TOTAL	97.9	163.7	262.6	207.3	21.6	2.4	1.5	0.8	0.2	62.1

	74	75	76	77	78	79	80	81	82	83
Home Renewal										
Ontario Home Renewal Program	-	10.2	16.0	21.5	23.0	20.0	20.0	20.0	20.0	9.9
TOTAL	-	10.2	16.0	21.5	23.0	20.0	20.0	20.0	20.0	9.9

PROVINCIAL EXPENDITURES

TABLE COMPONENTS

	74	75	76	77	78	79	80	81	82	83
Public Housing										
OHC advances for rental OHC/HDA projects (1)	17.8	15.6	56.0	36.1	30.4	28.9	3.6	6.8	3.7	3.9
Partial Contribution for planned development of OHC senior citizen projects	-	-	-	-	-	-	0.1	-	-	-
Share of Subsidies - Family and Senior Citizen Housing (2)	28.2	41.5	53.7	70.0	73.6	81.9	90.1	111.5	123.9	120.8
Share of Commercial Rent Supplement (3)	-	-	-	6.7	7.0	8.8	11.0	11.9	12.3	13.9
Grants for Elderly Housing Units	0.2	0.2	0.8	0.3	0.1	-	-	-	-	-
TOTAL	46.2	57.3	110.7	113.1	111.1	119.6	104.8	130.2	139.9	138.6

PROVINCIAL EXPENDITURES

TABLE COMPONENTS

	74	75	76	77	78	79	80	81	82	83
Non-Profit Housing										
Rent Reduction Grants (4)	-	-	-	0.5	1.7	3.0	4.7	6.0	5.8	5.7
Assistance payments for Private and Co-op Non-Profits (5)	-	-	-	-	-	-	-	-	0.1	0.8
Incentive Grants re Municipal Non-Profit Housing	-	-	-	-	-	-	-	0.04	0.5	0.5
Advisory Support to Non-Profit Groups	-	-	0.03	-	-	0.1	-	0.05	-	-
Share of Community-Sponsored Rent Supplements (6)	-	-	0.2	1.7	1.8	3.1	4.6	6.0	5.8	6.0
TOTAL	-	-	0.2	2.2	3.6	6.2	9.3	12.1	12.2	13.1

	74	75	76	77	78	79	80	81	82	83
Research/Demos										
Task Force for Native people in Urban Setting	-	-	-	-	-	-	0.05	-	-	-
Study Grants	-	0.7	1.5	1.1	0.2	-	-	-	-	-
OHC Grants re Housing Studies	0.05	0.02	0.1	0.07	-	0.09	-	0.07	0.01	-
Ontario Land Corporation	-	-	-	-	-	-	-	-	14.7	11.3
Energy Conservation through Land Use Grants	-	-	-	-	-	-	-	-	0.1	0.4
TOTAL	0.0	0.7	1.6	1.2	0.2	0.1	0.0	0.1	14.8	11.7

PROVINCIAL EXPENDITURES

TABLE COMPONENTS

	74	75	76	77	78	79	80	81	82	83
Community Renewal										
Main Street Revitalization	-	-	-	-	-	-	1.0	1.5	2.3	1.4
OHAP (7)	-	1.1	9.4	10.8	3.7	0.7	0.1	-	-	-
Neighbourhood Improvement (8)	-	0.2	0.9	3.8	5.7	5.7	6.9	7.2	6.2	1.7
Downtown Revitalization	-	-	-	-	4.4	6.7	6.2	14.0	6.1	4.2
Urban Renewal (9)	0.8	3.2	1.6	1.0	1.0	1.9	0.8	0.6	0.5	0.6
Regional and Municipal Public Works	-	12.8	20.5	26.5	24.4	20.2	9.0	-	-	-
TOTAL	0.8	17.3	32.4	42.1	39.2	35.2	24.0	23.3	15.1	7.9

PROVINCIAL EXPENDITURES

TABLE COMPONENTS

	74	75	76	77	78	79	80	81	82	83
Private Rental										
Ontario Rental Construction Grants	-	-	-	-	-	0.6	3.1	5.2	6.3	4.5
Ontario Rental Construction Loan Program	-	-	-	-	-	-	-	-	21.0	40.3
TOTAL	-	-	-	-	-	0.6	3.1	5.2	27.3	44.8
Losses										
Losses from Lending at Negative Interest Rates	-	-	-	-	1.8	2.5	2.3	2.0	-	-

	74	75	76	77	78	79	80	81	82	83
OMC advances and Payments from Ontario Land Corporation	-	-	-	-	85.5	18.9	1.3	0.5	-	-
- Deposit	-	-	-	-	-	-	-	-	-	7.4
TOTAL	-	-	-	-	87.3	21.4	3.6	2.5	-	7.4
Special Area Projects										
Housing Assistance for Cobalt	-	-	-	-	-	0.08	-	-	-	-
North Pickering Project/Seaton	116.7	48.9	2.0	1.4	0.8	1.9	0.5	0.4	0.5	0.5
Lakeshore Capacity Study	-	-	-	-	-	0.9	-	-	-	-
Township of Field	-	-	-	-	-	-	0.6	0.5	-	-
Townsend	-	-	-	1.3	-	-	0.5	0.6	0.6	0.5
Haldimand-Norfolk	-	-	0.5	-	4.7	0.08	-	-	-	-
TOTAL	116.7	48.9	2.5	1.7	5.5	2.9	1.6	1.5	1.1	1.0

PROVINCIAL EXPENDITURES

TABLE COMPONENTS

	74	75	76	77	78	79	80	81	82	83
Summer Jobs										
Experience Program	-	-	-	-	-	-	0.3	0.1	0.1	0.4
TOTAL	-	-	-	-	-	-	0.3	0.1	0.1	0.4

APPENDIX II

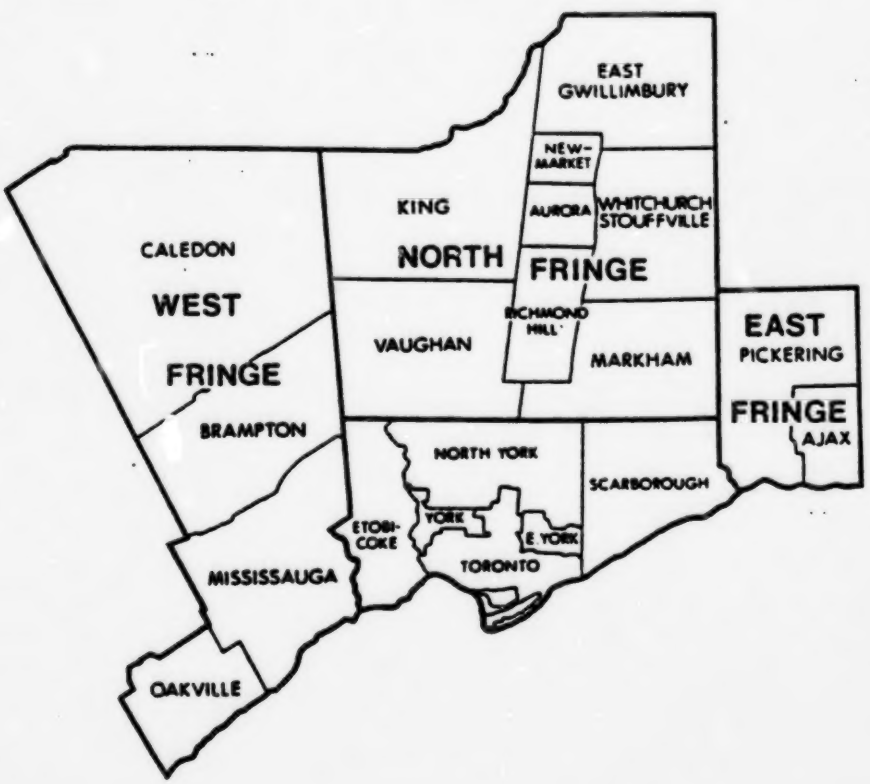
CHANGES WITHIN THE STOCK OF THE CITY OF TORONTO PRE- 1976 PRIVATE RENTAL BUILDINGS WITH SIX OR MORE APARTMENTS

Type of Change	No. of Bldgs.	No. of Apts.
Demolition		
January 1981 - January 1986		
. Completed	16	374
. Permits Issued	12	285
. Permit Applications	14	476
. Redevelopment Proposals	18	513
Subtotal	60	1648
Conversion		
April 1981 - April 1986		
. To Condominium:		
Completed	17	971
Applications	10	157
January 1980 - April 1986 (1)		
. To Co-ownership	39	1,042
. To Tourist Accommodation	35	2,139
Subtotal	101	4,309
Renovation		
April 1981 - April 1986 (1)		
. Completed	86	2,928
. Proposed	7	275
Subtotal	93	3,203
TOTAL	254	9,160

(1) Based on partial information. Additional buildings and units may have been affected.

Sources: City of Toronto Planning and Development Department and the Canada Mortgage and Housing Corporation.

MAP 1



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